



#### STATE OF WASHINGTON OFFICE OF THE GOVERNOR P.O. Box 40002 • Olympia, Washington 98504-0002 • (360) 902-4111 • www.governor.wa.gov

# **EXECUTIVE ORDER 18-03**

#### SUPPORTING WORKERS' RIGHTS TO EFFECTIVELY ADDRESS WORKPLACE VIOLATIONS

WHEREAS, our nation and state have adopted numerous laws that require employers to ensure safe working conditions, fair wages, and adequate breaks, including the federal Fair Labor Standards Act of 1938 (FLSA), the Washington State Minimum Wage Act, and other wage payment and employment standard laws; and

**WHEREAS**, despite historical efforts to remedy the imbalance of power between employers and employees, such as passage of the National Labor Relations Act, individuals remain limited in their ability to bargain; and

**WHEREAS**, the United States Supreme Court, in its recent *Epic Systems Corp. v. Lewis*<sup>1</sup> decision, held that if employees sign an arbitration agreement requiring individual arbitration proceedings as a condition of employment, then those agreements preclude employees from pursuing a class or collective action against their employer to resolve disputes; and

**WHEREAS,** when employers require workers to accept an arbitration clause as a condition of employment they deny workers the opportunity to seek redress for employment grievances through collective or class action in court or in arbitration, and workers are stripped of a powerful tool to level the historical imbalance between employers and employees; and

WHEREAS, the *Epic Systems Corp. v. Lewis* decision will inevitably result in an increased difficulty in holding employers accountable for widespread practices that harm workers; and

**WHEREAS**, limiting an employee's right to act collectively to address workplace violations and requiring resolution through individual arbitration reduces transparency and diminishes public accountability; and

**WHEREAS,** collective power is a real force for change, as evidenced by the "Me Too" (#MeToo) movement. When the door to collective action is closed, it limits peoples' power and exacerbates fear of retaliation and of losing one's job; and

**WHEREAS**, the State has a duty to act as a responsible steward of public dollars. It is also a major employer and plays an influential role in the market place; accordingly, it is incumbent on state agencies to make every effort to encourage and support employers who demonstrate that they value workers' rights to collectively address workplace disputes.

<sup>&</sup>lt;sup>1</sup> 584 U.S. \_\_\_\_ (2018)

NOW, THEREFORE, I, Jay Inslee, Governor of the state of Washington, by virtue of the power vested in me by the Constitution and statutes of the state of Washington do, effective immediately, hereby order and direct as follows:

## **1. PROCUREMENT PROCEDURES**

To the extent permissible under state and federal law, when making purchasing and other procurement decisions, all state executive and small cabinet agencies shall seek to contract with qualified entities and business owners that can demonstrate or will certify that their employees are not required to sign, as a condition of employment, mandatory individual arbitration clauses and class or collective action waivers.

# 2. AGENCY LEADERSHIP

To ensure operational success and consistent application of this Order across state agencies, the Department of Enterprise Services (DES) shall administer implementation of this Order. The Director of DES, or the Director's designee(s), shall convene any necessary workgroups to establish best practices and consistent application of this Order statewide. It shall report on the progress and impact of this Order to the Office of the Governor, including any recommendations to further the purpose of this Order, no later than July 1, 2019 and;

I urge all other employers, public and private, to join me in this effort to protect workers' rights.

This Order is effective immediately.

This Order is not intended to confer, and does not confer, any legal right or entitlement, and shall not be used as a basis for legal challenges to any rule or to any other action or inaction of the governmental entities and employees subject to it.

Signed and sealed with the official seal of the state of Washington on this <u>12<sup>th</sup></u> day of June, 2018, at Olympia, Washington.

By:

/s/ Jay Inslee Governor

## BY THE GOVERNOR:

/s/ Secretary of State