



Coffee Club
Who's Running the Zoo... New California Legislation for 2017 & Beyond

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Introduction

Welcome to the AALRR monthly "Coffee Club" Webinar Series. Our series will focus on labor and employment law issues facing California employers and will provide you with a unique understanding and perspective on a variety of interesting and timely topics.

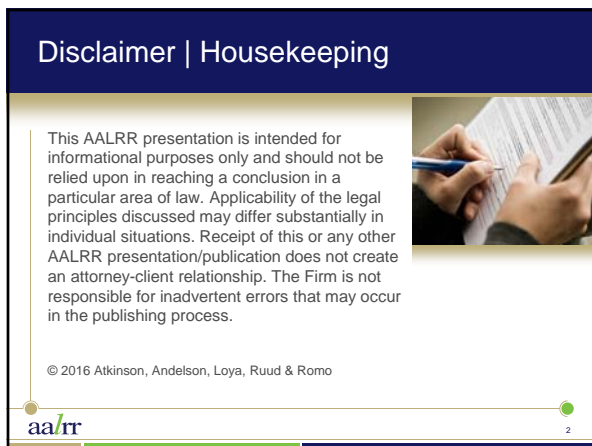
Join us the first Tuesday of every month @ 10:00 am for a new and exciting topic.

Today, we will be discussing *Who's Running the Zoo... New California Legislation for 2017*.

Next Month, *What's Your New Year's Resolution...A Year in Review*.

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Disclaimer | Housekeeping

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AB 1066



aa/rr 3

AB 1066

- Removes the overtime exemption for agricultural employees by phasing in overtime requirements.
- Begins January 1, 2019 for employers with 26 + employees
 - will be required to pay agricultural workers overtime for hours worked in excess of 9.5 hours in a workday or 55 hours in a workweek.
 - Increased overtime requirements will phase in over the following years.
- Employers with 25 or fewer employees, the requirements of this law will be delayed until January 1, 2022.

aa/rr 4

Impact on Employers

Tip: This is the second year in a row agricultural employers were impacted with a major new law. Agricultural employers should become familiar with the new requirements and plan accordingly.

aa/rr 6

AB 1311



aa/rr 6

AB 1311

- Requires temporary services employer to pay employee who is registered security officer wages at least once a week, regardless of when the employee's assignment ends.
- Temporary services employers must pay registered security officers' wages for the workweek no later than the regular payday of the following workweek.
- Legislature enacted AB 1311 as urgency legislation
 - took **effect on July 22, 2016.**

aa/rr 7

Impact on Employers

Tip: Temporary services employers must pay registered security officers at least once a week and ensure that all wages earned in the workweek are paid no later than the following workweek.

aa/rr 8

AB1732



aa/rr 9

AB 1732

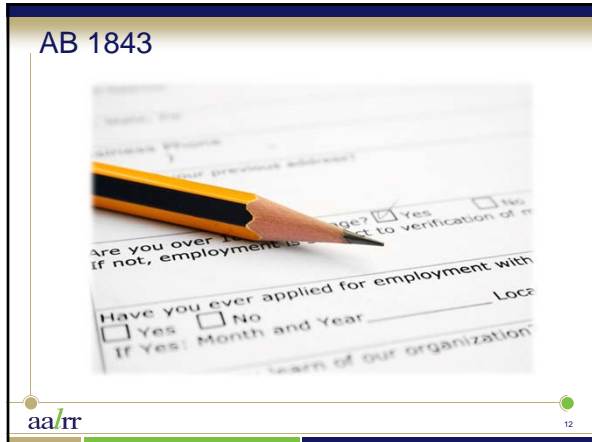
- Effective March 1, 2017, businesses in California with single-user restrooms will be required to label such restrooms as "all gender" facilities.
- The requirement applies to facilities with no more than one "water closet" and one urinal, and with a locking mechanism controlled by the user.

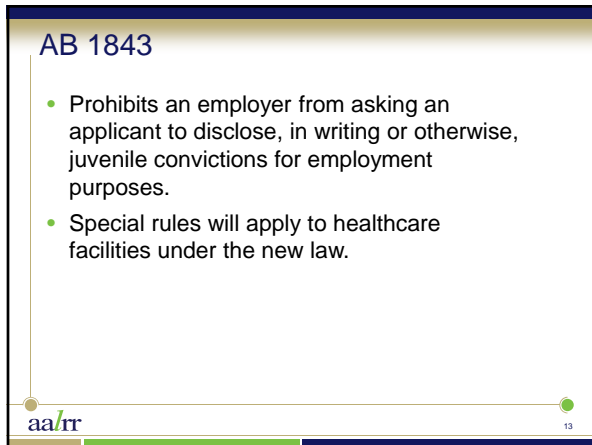
aa/rr 10

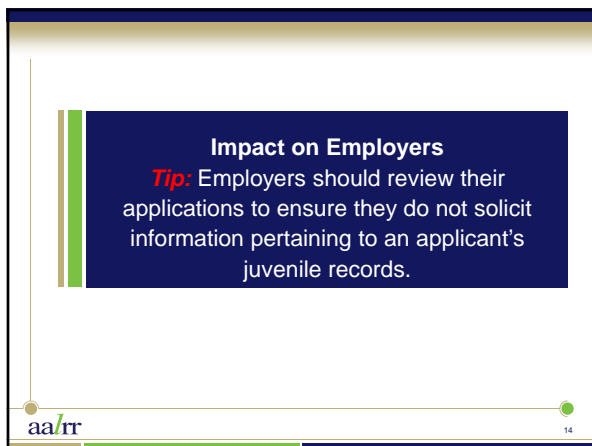
Impact on Employers

Tip: Employers should arrange to change all signage for single-user restrooms ahead of next year's March 1, 2017 deadline.

aa/rr 11







AB 1978




aa/rr 15

AB 1978

- Property services employers who employ janitors required to register annually with Labor Commissioner and pay application and renewal fees.
- Will be required to maintain accurate records of employees' information for three years.
- Includes individuals working as independent contractors or as a franchisee.

aa/rr 16

AB 1978



- As of July 1, 2018, such employers required to provide employees a pamphlet from the DFEH on sexual harassment.
- The bill does not apply to individuals whose work duties are predominantly final cleanup of debris, grounds, and buildings near the completion of a construction, alteration, demolition, installation, or repair work project, including, but not limited to, street cleaners.


aa/rr 17

Impact on Employers
Tip: Special rules will apply to predecessor and successor employers in the property service industry.

Businesses involved in the buying and selling of such businesses or contracts will need to review and follow these new rules.

aa/r 18

AB 2337



aa/r 19

AB 2337

- Will require employers with 25 or more employees to inform each employee of his or her rights to take time off related to domestic violence, sexual assault, or stalking.
- Labor Commissioner to develop notices prior to July 1, 2017.
- Employers required to inform all new hires of rights, and required to inform current employees of rights upon request.
- **Tip:** Once Labor Commissioners posts form, employers should include form in documents provided to new hires.

aa/r 20

Impact on Employers
Tip: Once the Labor Commissioner posts the form, employers should include the form in documents provided to new hires, and have this form available for current employees, if requested.

aa/r 21

AB 2535

| EARNING STATEMENT | | | | | | |
|--|----------------|-------------|-------------|------------|---------|-----------|
| EMPLOYEE NAME / ADDRESS | EMP ID | | | | | |
| John Doe, 123 Example Street, Frenco, CA | 123456789 | | | | | |
| REPORTING PERIOD | PER DATE | | | | | |
| 10/01/2014 - 10/31/2014 | 11/18/2014 | | | | | |
| CONTRACT # | 12345 | | | | | |
| INCOME | RATE | HOURS | CURRENT PAY | DEDUCTIONS | TOTAL | YTD TOTAL |
| GROSS EARNING | Salary | 1700.77 | | | | |
| STATUTORY DEDUCTIONS | | | | | | |
| FICA - MEDICARE | 26.10 | | | 577.00 | | |
| FICA - SOCIAL SECURITY | 107.31 | | | 248.10 | | |
| FEDERAL TAX | 254.00 | | | 582.47 | | |
| STATE TAX | 94.81 | | | 216.63 | | |
| YTD GROSS | YTD DEDUCTIONS | YTD NET PAY | TOTAL | DEDUCTIONS | NET PAY | |
| 28627.71 | 1089.03 | 27540.10 | 1700.77 | 472.13 | 1268.60 | |

Select the number of stubs you need (Additional stubs represent previous payrolls)
Stub 1 (The most recent payroll)

aa/r 22

AB 2535


- Under Labor Code section 226, wage statements required to show employee's total hours worked, unless employee paid salary and exempt from overtime.
- AB 2535 expands section 226 to provide a wage statement not required to show total hours worked if employee is exempt from payment of minimum wage and overtime under statute or applicable Wage Order.

aa/r 23

Impact on Employers:
The Legislature passed AB 2535 in light of a federal court decision, *Garnett v. ADT LLC*, which held Section 226(a) required the reporting of hours for exempt outside sales employees.

aa/rr 24

SB 1015



aa/rr 25

SB 1015

- Legislature passed the Domestic Worker Bill of Rights effective July 1, 2014.
- Law changed wage and hour rules for domestic workers who provide services related to the care of people in the home, or who maintain private households or their premises.
- The law was set to expire on January 1, 2017. SB 1015 renewed the Domestic Worker Bill of Rights, making it a permanent fixture of California law.


aa/rr 26

Impact on Employers

Tip: Domestic workers include nannies, childcare providers, caregivers and personal attendants, housekeepers, cooks, and other household workers. Employers of such employees are expected to comply with many of the same technical laws required of more traditional and formal employers.

aa/rr 27

SB 1167



aa/rr 28

SB 1167

- Expands heat illness protections and regulations to indoor workplaces effective January 1, 2019.
- Directs Cal-OSHA to draft and propose heat illness and injury prevention standards for indoor worksites by January 1, 2019.
- Although these indoor heat standards will not go into effect until 2019, existing California law already protects employees from working in dangerous conditions indoors.

aa/rr 29

Impact on Employers
Tip: Employers with indoor workplaces will need to adjust their policies to address recovery periods and other requirements imposed by Cal-OSHA.

aa/rr 30

SB 1234



aa/rr 31

SB 1234


- Requires private employers with five or more employees that do not offer a 401(k) plan or similar retirement savings plan to enroll their employees in the new California Secure Choice Retirement Savings Program.
- Employers not required to make contributions, eligible employees automatically enrolled unless elect to opt out.
- Employers that fail to offer the program to eligible employees will be assessed a penalty by the EDD.
- Initial penalty will be \$250 per eligible employee if noncompliance extends beyond 90 days, will increase to \$500 after 180 days of noncompliance.
- Employers with fewer than five employees will have the option to participate in the program.

aa/rr 32

Impact on Employers
Tip: The date of implementation of the program is unknown at this time, but likely will be within the next year. Employers should watch for updates from the EDD as to when the program becomes operative.

aa/rr 33

AB 1241



TERMS OF EMPLOYMENT
1. **Position and Duties**
2. **Outside Business Activities**

aa/rr 34

SB 1241

- Prohibits employers from requiring an employee who primarily resides and works in California to agree to, as a condition of employment, a provision that would require the employee to litigate or arbitrate employment disputes: (1) outside of California or (2) under the laws of another state.
- The law applies only to contracts entered into, modified, or extended on or after January 1, 2017.
- The law does not apply to an employee individually represented by a lawyer in negotiating an employment contract.

aa/rr 35

Impact on Employers

Tip: Employers utilizing arbitration agreements, severance agreements, and other employment agreements with arbitration provisions should ensure that such agreements do not violate this new law. An employee who successfully sues to have a forum selection or choice of law provision stricken from an arbitration agreement can recover reasonable attorneys' fees under the law.

aa/r 36

AB 1676 & SB 1063



aa/r 37

AB 1676 & SB 1063

- These bills further expand California's Fair Pay Act.
- SB 1063 expands the Fair Pay Act to require employers to provide equal pay for "substantially similar work" on the basis of race and ethnicity.
- AB 1676 amends the Fair Pay Act to prohibit employers from using "prior salary," by itself, to justify paying different wages based on sex, ethnicity, or race.


aa/r 38

Impact on Employers

Tip: Employer Action: Employers who conducted audits pursuant to the expansion of the Fair Pay Act last year in light of SB 358 may consider expanding such audits to include race and ethnicity. Notably, one draft of AB 1676 would have prohibited employers from asking about salary history in employment applications, but the Legislature backed off from that position due to lobbying efforts.

aa/r/r 39

Governor Brown vetoed SB 654, which would have required employers with 20 to 49 employees to provide up to 6 weeks of baby bonding leave. The Governor vetoed SB 654 because of the impact that requiring additional leave would have on small business and the potential liability that could result.



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2017 Calendar

| January 2017 | February 2017 | March 2017 | April 2017 |
|---|---|---|---|
| 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 | 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 | 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 | 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 |
| May 2017 | June 2017 | July 2017 | August 2017 |
| 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 | 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 | 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 | 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 |
| September 2017 | October 2017 | November 2017 | December 2017 |
| 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 | 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 | 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 | 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 |

Sneak Peek 2017

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Thank You

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