

New Laws Make 2020 a Compliance Nightmare for CA Employers

IRVINE, CALIFORNIA, USA, December 19, 2019 /EINPresswire.com/ -- In his first year as Governor, Gavin Newsom closed the 2019 legislative session by signing a flurry of bills into law, many of which will significantly affect employment practices in the state. Below are some of the most notable new laws going into effect on January 1st, 2020.

Assembly Bill 5 – Worker Classification
AB 5 was the most widely-reported bill of 2019 and will likely continue to be talked-about and revisited over the next few years. AB 5 was signed into law to clarify and codify the California Appeals Court's 2018 decision to adopt the "ABC" test as a standard for classification and their decision earlier this year to apply the test retroactively. Employers should already be looking over their worker classifications to ensure they are compliant prior to January 1st.

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In today's regulatory environment, it's almost a must to hire an HR Outsourcing expert to keep up with the changes and complexities.”

*Emplicity President and CEO,
Vic Tanon*



Assembly Bill 51 – Mandatory Arbitration

AB 51 prohibits employers from requiring an applicant or employee to enter into any contractual agreement as a condition of employment to “waive any right, forum, or procedure” for alleged violations of the entire Fair Employment and Housing Act (FEHA) and the entire Labor Code. Under existing law, an employer can typically require an employee to enter into an arbitration agreement – even as a condition of employment. The new law bans mandatory arbitration agreements and even considers the use of opt-out waivers or actionable items required to preserve rights to be on the same level as “condition of

employment” agreements and thus prohibits them.

Assembly Bill 673 – Penalties for Failure to Pay Wages

AB 673 allows employees to take legal action against their employer in order to recover unpaid wages. The new law amends California Labor Code 210 to create a “private right of action” for seeking penalties for the late payment of wages. Prior to the law being passed, only the Labor Commissioner was permitted to seek the penalties outlined in Labor Code 210. The law now authorizes an employee to either recover statutory penalties under the Labor Code or to enforce civil penalties under the Private Attorneys General Act (PAGA), but not both.

Assembly Bill 749 – Settlement Agreements: Restraints in Trade
AB 749 prohibits “no-rehire” clauses in dispute-related settlement agreements. Under the new law and beginning on January 1st, 2020, settlement agreements related to employment disputes can no longer contain any provision that prohibits, prevents, or otherwise restricts an employee from obtaining future employment with that employer, or any parent companies, subsidiaries, divisions, affiliates, or contractors.



Assembly Bill 1804 – Reporting Occupational Injuries and Illnesses
AB 1804 requires the immediate reporting of serious occupational injury, illness, or death to the Division of Occupational Safety and Health by telephone or through an online mechanism. The new law specifies that until the online mechanism available, employers are permitted to make the report by telephone or email.

Senate Bill 142 – Lactation Accommodation
SB 142 requires that employers provide a reasonable amount of break time to accommodate an employee desiring to express breast milk for the employee’s infant child “each time” the employee has need to express milk. As with the existing provisions, under SB 142, the break time shall run concurrently with mandatory break time already provided to the employee, though break time used to express and process/store milk can be unpaid. In addition, SB 142 further clarifies what type of space an employer should provide to employees for the purpose of expressing milk. Under this new law, a lactation space must comply with all of the following requirements: Be safe, clean, and free of hazardous materials, as defined; Contain a surface to place a breast pump and personal items; Contain a place to sit and; Have access to electricity or alternative devices, including, but not limited to, extension cords or charging stations, needed to operate an electric or battery-powered breast pump.

Senate Bill 688 – Penalties for Contesting Failure to Pay Wages
SB 688 allows the Labor Commissioner to cite an employer for failing to pay wages less than the wage set by contract in excess of minimum wage. This new law will also provide procedures for an employer to contest such a citation, including posting a bond.

Senate Bill 707 – Enforcement of Arbitration Agreements
SB 707 imposes certain fees and costs on the employer in an arbitration agreement, to be paid before the arbitration can proceed. If the fees or costs are not paid within 30 days after the due date, the drafting party is in material breach of the arbitration agreement, is in default of the arbitration and waives its right to compel arbitration. The new law also requires the court to impose a monetary sanction on the employer who materially breaches an arbitration agreement, and would authorize the court to impose other sanctions.

SB 778 – Sexual Harassment Training Requirements
SB 778 was introduced this year to make some clarifications to the new law. Most notably, it would delay the changes made by SB 1343 until 2021, so employers would have an additional year to comply.
SB 778 also clarifies the requirements for training employees in a supervisory position, as well as employees who have been newly moved into such a position and allows employers who have already provided training to an employee in 2019 to provide the “refresher” training to that employee two years after their initial training date (rather than by January 1st, 2020) to avoid forcing employers to train the same employees twice in two years. Further, the bill contains an

urgency clause to allow it go into effect immediately after being signed into law and it will hopefully provide employers with more clarity regarding sexual harassment training.

This next year will be challenging for California employers as they adapt to all of the new legislative changes. Partnering with a [PEO](#) like [Emplicity](#), a California HR specialist, can be a great way to ensure compliance in the ever-changing landscape of California labor laws. As always, stay tuned to the Emplicity blog for up to date information on the bills and laws

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