

Senate Panel Advances Reyes' SAFE Act to Crack Down on Staffing Fraud, Protect Workers

SB 1032 establishes a statewide registration and compliance system for temporary staffing agencies

SACRAMENTO, CA, UNITED STATES, April 9, 2026 /EINPresswire.com/ -- A key California Senate committee yesterday advanced SB 1032, the

Staffing Agency Fair Employment (SAFE) Act, authored by Senator Eloise Gómez Reyes, moving forward a landmark effort to regulate the state's largely unmonitored temporary staffing industry. The bill passed on a 3-1 vote and now heads to the Senate Judiciary Committee as part of its double referral.



POWER LOGO

P.O.W.E.R.

Partnership Organization for
Workplace Ethics and Reform



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*POWER Executive Director
Robert Reid*

SB 1032 establishes a statewide registration and compliance system for staffing agencies—closing a major regulatory gap that has allowed some operators to evade payroll taxes, workers' compensation requirements, and basic labor protections.

"Today's vote makes clear that California is serious about shutting down bad actors who exploit workers and undercut honest businesses," said Alberto Torrico, UFCW's lobbyist. "The SAFE Act brings transparency and accountability to an industry that has operated too long in

the shadows."

The legislation requires staffing agencies to register annually with the Labor Commissioner and disclose ownership, financial condition, and compliance history. It also mandates verified workers' compensation coverage, requires a surety bond, authorizes stop-work orders for uninsured operators, and creates a publicly accessible registry for workers and employers.

Supporters say these reforms are critical in a state where no comprehensive statewide licensing

framework currently exists for staffing agencies—despite the sector’s rapid growth and increasing share of the workforce.

“This bill equips regulators with the tools needed to detect and prevent fraud before workers are harmed,” said Jennifer Snyder, legal counsel to the P.O.W.E.R. coalition, and a former fraud prosecutor in the Los Angeles County District Attorney’s office. “This legislation directly targets and unmask the scammers who operate in the shadows to avoid detection and enforcement and exploit companies and workers.”

SB 1032 was amended in committee to address stakeholder concerns, while preserving its core enforcement and transparency provisions.

“The Legislature has taken a balanced approach—protecting workers and taxpayers while providing clear rules for legitimate operators,” said POWER Executive Director Robert Reid. “This is a critical step toward restoring integrity in California’s staffing industry.”

Advocates argue the SAFE Act will protect workers from unlawful employment practices, level the playing field for compliant businesses, and reduce taxpayer exposure tied to uninsured employers.

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