

New Year, New Laws: Welcome To 2016 In California

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In true California fashion, new measures that took effect on Jan. 1 will benefit millions of workers while posing additional challenges for employers. Some are broad, while others have a narrower focus. Below is a round-up of the notable New Year's laws: **Minimum Wage** The state minimum wage increased to \$10 perhour. The \$10 rate is the highest minimum in the nation —don't worry Californians, Massachusetts also adopted this rate. For some comparison, the federal minimum is \$7.25 perhour. Keep in mind that with the rise in California's minimum wage, exempt employees must earn more for employers to classify them as exempt from overtime pay. The new threshold as of Jan. 1 is \$3,466 permonth, up from \$3,120 in 2015. **Fair Pay Act** SB358 requires equal pay, regardless of gender, for employees performing "substantially similar" work – not just "equal" work. The requirement extends to different locations run by the same company, not just "the same establishment," as under previous law. In an effort to promote transparency, the law protects employees from retaliation if they seek information on wages or discuss them with colleagues. The new statute is broader than the Federal Equal Pay Act. **Wage Theft** SB588 and AB970 expanded the power of the California labor commissioner to collect back wages and penalties from employers who fail to pay minimum wage and overtime, force employees to work off the clock, refuse to offer meal and rest breaks, or make illegal paycheck deductions. Employers can now be subject to stop-work orders, levies against their bank accounts and liens against their property. Employers, which now includes owners, directors or managing agents acting on behalf of an employer, can be subject to criminal and personal liability. As in the past, companies will no longer be able to avoid judgments by changing names because successor companies will be deemed liable if they engage in substantially the same work. **Child Care Leave** SB579 allows employees to take as much as eight hours a month, or up to 40 hours a year, in unpaid time off to find a school or child care provider, to enroll their children or to address a school-related emergency. The law only applies to companies with 25 or more employees. **Retaliation** AB987 forbids an employer to discriminate or retaliate against a worker who requests accommodation because of a disability or a religious belief or observance, whether or *not* the request is granted. **Cheerleaders** AB202 requires cheerleaders for professional sports teams to now be classified as employees. Previously, cheerleaders for professional sports teams were treated as independent contractors. **Ready-Mix Concrete Drivers** Prevailing wage laws require that workers on publicly funded projects be paid at the rate most tradesmen are paid in their geographic area, thus eliminating an incentive for bidders to underpay. In California, the laws cover a host of specialties from asbestos laborers to tree pruners. AB219 now adds to the mix drivers who haul ready-mix concrete.

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