



ALERTS

Notable New California Employment Bills Signed Into Law – Part 1

October 9, 2023

Highlights

The California legislature has recently passed several employment law bills that will affect companies operating in California

Notable bills that have been signed into law include those that increase minimum wage for fast food workers, prohibit discrimination based on cannabis use, ensure longer paid sick leave for employees and address workplace violence prevention

Gov. Gavin Newsom has until Oct. 14, 2023, to sign or veto the bills

California lawmakers have recently passed several employment law bills that will affect companies doing business in the state. Gov. Gavin Newsom has until Oct. 14, 2023, to sign or veto the bills. Notable new laws that have been signed into law so far include:

Minimum Wage Increases for Fast Food Workers (AB 1228)

Gov. Newsom signed a bill on Sept. 28 increasing the minimum wage for

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fast food workers. Effective April 1, 2024, the hourly minimum wages for certain fast food restaurant employees will increase to \$20 per hour. Thereafter, a newly created Fast Food Council can further raise the minimum wage on an annual basis, beginning on Jan. 1, 2025. This wage hike will only apply to statutorily defined “national fast food chains.” The new law has a current sunset date of Jan. 1, 2029. While the new law is limited in scope and duration, it will likely affect wages across other industries for the foreseeable future.

Discrimination Based on Cannabis Use Prohibited (SB 700)

Effective Jan. 1, 2024, employers will be prohibited from discriminating against employees or job applicants based on marijuana usage. Employers are still allowed to administer drug tests, but cannot screen for “nonpsychoactive cannabis metabolites.” In addition, companies will not be able to penalize anyone for using cannabis off the job and away from the workplace. Companies doing business in California should consider reviewing their employee handbooks and anti-discrimination policies, and update them as necessary. They should also consider reviewing standard hiring and background check procedures to ensure compliance.

Employees Receive Longer Paid Sick Leave (SB 616)

Effective Jan. 1, 2024, employers will be required to increase mandatory paid sick leave to five days (or 40 hours); previously, the state required paid sick leave of three days (or 24 hours). Employers can limit usage of paid sick leave to five days (or 40 hours) a year, while capping accrual of the leave to 10 days (or 80 hours) a year. Companies should consider reviewing their sick leave policies to ensure they comply with the expanded protection.

New Workplace Violence Prevention Bill (SB 553)

Beginning on July 1, 2024, employers will be required to create and implement a workplace violence prevention plan and incident log. Effective training must also be provided. Records must be kept for varying lengths depending on the information category, but at least for one year. Employees are also entitled to receive copies of such records within 15 days of requesting them. This law is made more onerous by the fact that it applies to employers of all sizes and revenue. Employers should consider developing policies and procedures pursuant to the new law.

For more information, please contact the Barnes & Thornburg attorney with whom you work or John Kuenstler at 312-338-5924 or john.kuenstler@btlaw.com or Amy Choe at 424-239-3755 or amy.choe@btlaw.com.

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