

New Laws Impacting California Employers In 2014

Several new employment laws are scheduled to take effect in 2014 that will impact California employers' day-to-day operations and policies. There have been significant changes in key areas such as the minimum wage, and employment applications. Below is a synopsis of the key changes.

1. Domestic Workers Entitled To Overtime

AB 241 supplements section 1450 to the California Labor Code and is known as the Domestic Worker Bill of Rights. Under this new law, personal attendants are now required to be paid overtime compensation at a rate of one and one-half times their regular rate for all hours worked in excess of nine hours per day or 45 hours per week. Personal attendants include any persons employed by a private householder or by any third-party employer recognized in the healthcare industry to work in a private household, to supervise, feed, or dress a child, or a person who by reason of advanced age, physical disability, or mental deficiency needs supervision. The law excludes "casual babysitters" whose work is intermittent or irregular as well as babysitters who are under age 18. It further excludes individuals who work in residential care facilities. The law would apply to nannies, housekeepers, and individuals who provide care for the elderly and/or disabled within a private household. The law is effective January 1, 2014.

2. Minimum Wage

AB 10 increases the minimum wage to \$9/hour effective July 1, 2014, and further increases it to \$10/hour effective January 1, 2016.

3. Paid Family Leave

SB 770 expands the scope of California's family temporary disability insurance program. Under the current program, employees who take time off to care for a seriously ill child, spouse, parent or domestic partner, or for baby bonding, are entitled to partial wage replacement benefits through this state insurance program administered by the EDD. The new law expands these benefits to employees who take time off to care for a seriously ill grandparent, grandchild, sibling or parent-in-law. This new law takes effect July 1, 2014.

Note that this law is not a leave statute and does not require California employers to provide leaves of absence to employees for any of these circumstances. Leaves continue to be governed by the FMLA/CFRA and company policy.

4. Public Employment and Criminal Convictions

AB 218 supplements Labor Code section 432.9, relating to criminal convictions. Pursuant to AB 218, a state or local agency can no longer inquire if an applicant has been convicted of a crime until after the state or local agency has determined if the applicant meets the qualifications of the position. The new law does not apply to positions with criminal justice agencies.

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