

New California Law Allows For Local Enforcement of Employment Discrimination: 3 Tips to Make Sure You're Protected

Insights 9.27.24

California will soon allow local governments to enforce not only the state's employment discrimination claims but also local anti-discrimination laws that are more stringent than the state's anti-bias laws. Governor Newsom just signed SB 1340 yesterday, which means your business might soon find itself dealing with compliance challenges even beyond those raised by California's Fair Employment and Housing Act (FEHA) and the Unruh Civil Rights Act. Below are three steps you can take to make sure your prepared for these changes, which will take effect on January 1, 2025.

What Does The New Law Do?

This new law will enable local governments to enforce anti-discrimination laws when employees bring a right-to-sue from the Civil Rights Department (CRD). Previously, only the CRD could enforce California's discrimination laws like FEHA and the Unruh Civil Rights Act. But starting on January 1, local authorities will be able to enforce both the state's laws and any more rigorous local antidiscrimination laws.

Under SB 1340, any city, county, or locality can enforce any local law that prohibits discrimination on the basis of race, religion, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, age, reproductive health decision making, or sexual orientation – so long as all four of the following requirements are met:

- 1. Local enforcement regards an employment complaint filed with the CRD;
- 2. Local enforcement occurs after the CRD issued a right-to-sue notice under FEHA;
- 3. Local enforcement starts before the expiration of the time to file a civil action specified in the right-to-sue notice; and
- 4. Local enforcement is pursuant to local law that is at least as protective as FEHA.

Another important provision of the new law is that it tolls the time to file a civil action under a right-to-sue issued by the CRD. When the CRD issues a right-to-sue notice, the employee has one year to sue their employer. Now, any local enforcement stops that one-year clock.

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Here are three tips for employers in light of the new change:

- **Keep a Close Eye on Local Anti-Discrimination Laws**. Since SB 1340 allows local authorities to enforce local anti-discrimination laws that are stronger than FEHA, you should be aware of any existing or new local anti-discrimination laws and what its provisions mean for you. Reach out to your Fisher Phillips attorney or the authors of this insight if you need assistance.
- **Be Prepared for a Longer Lifespan for Discrimination Suits**. The tolling provision can greatly lengthen the time it takes for an employee to sue in civil court. Since any local enforcement will toll the one-year time limit, the length of that enforcement pushes out the time it takes that employee to bring a suit.
- **Review Your Policies, Practices, and Complaints**. Given this new law's tolling provision and empowerment of rigorous anti-discrimination laws, this is a good time to review your policies and practices to ensure you foster a work environment free from workplace discrimination. One good source of finding where such errors may lie is in previously filed employee complaints alleging discrimination. Re-evaluate such claims to ensure that steps have been taken to remedy causes of discriminatory practices or ensure that such claims truly have no merit.

Conclusion

We are continuing to monitor these developments and will provide updates as appropriate. Make sure you are subscribed to <u>Fisher Phillips' Insight System</u> to get the most up-to-date information. If you have any further questions, contact your Fisher Phillips attorney, the author of this Insight, or any attorney in any one of <u>our six California offices</u>.

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