

All the New California Workplace Laws You Need to Know About For 2025

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Now that the California legislative session is essentially over and Governor Newsom has taken action to either approve or veto all the workplace law bills on his desk, employers can take stock on all the new laws that will soon take effect. Unless otherwise noted, all of the laws described below will take effect on January 1, 2025. But don't put off compliance chores until the last minute. Use this helpful Insight to assemble your checklist of things to do over the next few months.

Employer "Captive Audience" Meetings are Now Banned

Governor Newsom signed into law a bill last Friday that will soon ban employers from holding "captive audience" meetings – those employer-sponsored mandatory meetings that discuss religious or political matters, including union-representation discussions. SB 399, referred to as the "California Worker Freedom from Employer Intimidation Act," will subject most employers to a civil penalty or civil action starting January 1, 2025, if they require employee attendance at such meetings under threat of discharge, discipline, or some other adverse employment action. These captive audience bans are increasingly common across the country – and are tilting the balance of power to labor unions by preventing employers from exercising their protected free speech rights. Knowing this new law could have severe ramifications for California employers and businesses, read on to understand what you need to know and the five steps you should take to ensure compliance.

New Law Reframes Victim-of-Violence Leave

Governor Newsom signed a bill into law Sunday that will reframe and expand existing workplace protections for employees who are victims of crime or abuse. The new law redefines who is entitled to protection, broadens the reasons requiring protected time off, and moves enforcement authority over to the state's Civil Rights Department. As a result, employers must pay careful attention to what's changing and what you must do to comply. We'll explain everything and give you eight key employer takeaways.

<u>State Extends PAGA Exemption for Unionized Construction Industry Employers – But You Need to Take Action to Qualify</u>

Governor Newsom just signed legislation Saturday that will ensure certain unionized construction applications are completely exempted from PAGA lawsuits for the payt 14 years. Thanks to AR 1034

construction employers that meet certain standards – including paying workers 30% more than minimum wage – will see the Private Attorneys General Act (PAGA) exemption they have enjoyed for past decade pushed out to January 1, 2038. What do employers need to know about this positive development and what steps do you need to take to enjoy the relief?

Employers Must Satisfy New 2-Part Test to Avoid Driver's License Discrimination When Hiring

A new law signed into effect over the weekend by Governor Newsom will soon prohibit California employers from telling job applicants that a driver's license will be required for a job unless the position meets a two-part test. SB 1100 amends the Fair Employment Housing Act (FEHA) so that, starting January 1, 2025, you'll only be able to make such a statement if you reasonably expect driving to be one of the job functions and no alternative forms of transportation would work out. Read here for more details and for a four-step action plan you can take to comply with the new law.

New Law Expands Protections for Freelance Workers

California just enacted a new law further expanding protections for freelance workers. Beginning in 2025, private employers who hire certain independent contractors will be required to provide a written agreement specifying certain terms and to pay their compensation by certain deadlines. The new law aims to give freelancers "basic worker protections" and the right to be paid on time. We'll explain everything you need to know and give you five steps you can take to comply.

New Law Allows For Local Enforcement of Employment Discrimination

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 signed SB 1340 last week, 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. Here are three steps you can take to make sure you're prepared for these changes, which will take effect on January 1, 2025.

New Law Enacts Requirements for Voluntary Social Compliance Audits

California will soon require businesses to publicly share results of voluntary, non-governmental social compliance audits. Governor Newsom signed Assembly Bill 3234 into effect on September 22, which outlines reporting requirements for employers that choose to conduct social compliance audits and requires them to post the audit results to a conspicuous link on their website. The new legislation will go into effect January 1, 2025 – so what five things must employers include in audit reports?

3 Biggest Workplace-Related Vetoes

Besides the laws that were passed and finalized, Governor Newsom vetoed a slew of bills brought to his desk – including three significant proposals that would have impacted employers.

- Governor Vetoes Controversial Al Safety Law Facing intense opposition from high-tech businesses and leaders, California Governor vetoed a proposed AI safety law on Sunday that would have required developers of high-risk AI models to conduct safety tests and implement shutdown mechanisms to prevent critical harms. SB 1047, also known as the "Safe and Secure Innovation for Frontier Artificial Intelligence Models Act," would have set the most stringent set of AI safety standards in the country, particularly when it comes to cybersecurity and public safety. What can California businesses and employers expect in the aftermath of this high-profile defeat?
- California's Civil Rights Department would have been given the power to bring group or class complaints against employers for a period of up to seven years after the alleged wrongdoing, but Governor Newsom vetoed the bill on Sunday. State law only permits such claims to be filed within three years of suspected misconduct, so SB 1022 would have dramatically raised the stakes for employers throughout the state by more than doubling the statute of limitations for these cases. The proposed law also would have broadened the types of claims that are considered "group or class" complaints, so you could have expected to see an increase in the number of claims filed by the state in the coming years. In his veto message, Newsom said that "significantly" lengthening the limitations period was "concerning" to him, and he encouraged lawmakers to present him with a bill including a "more reasonable" period of time.
- Farmworkers' Heat Injuries Would Have Been Presumed to be Work-Related Agricultural employers in California can breathe a sigh of relief after Governor Newsom vetoed a workers' compensation bill that would have severely punished employers who don't comply with heat standards. The proposed law contained in SB 1299 would have created a presumption that heat-related injuries sustained by farmworkers were work-related and thus covered by workers' compensation if their employer failed to comply with heat illness prevention standards.

Conclusion

Make sure you are subscribed to <u>Fisher Phillips' Insight System</u> to get the most up-to-date information about these and other laws. In the meantime, for more information about these new laws, feel free to contact your Fisher Phillips attorney, the author of this Insight, or any attorney in our California offices.

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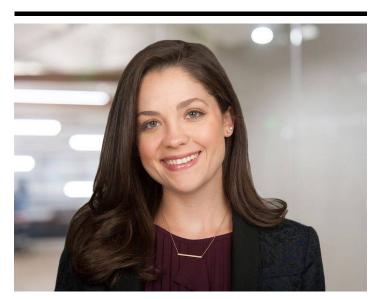




Benjamin M. Ebbink Partner 916.210.0400 Email



Rosa Hernandez Associate 415.490.9002 Email



Danielle Krauthamer Zobel Associate 213.330.4472 Email



Lizbeth Ochoa Partner 949.851.2424 Email



Rachel Song Associate 415.926.7651 Email



Serineh Terzyan Associate 818.230.4266 Email



Megan E. Walker Partner 858.597.9611 Email



David Witkin Associate 916.210.0371 Email

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