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Using the Interpretation icon please select your preferred language.

Usando el ícono
Por favor, seleccione el idioma
de su preferencia.

Agenda

- Welcome from Vice Chair Lawson-Remer
- City of San Diego Presentation with Q&A
- County of San Diego Presentation with Q&A
- Shaw Law Presentation with Q&A









San Diego Wage & Labor Webinar

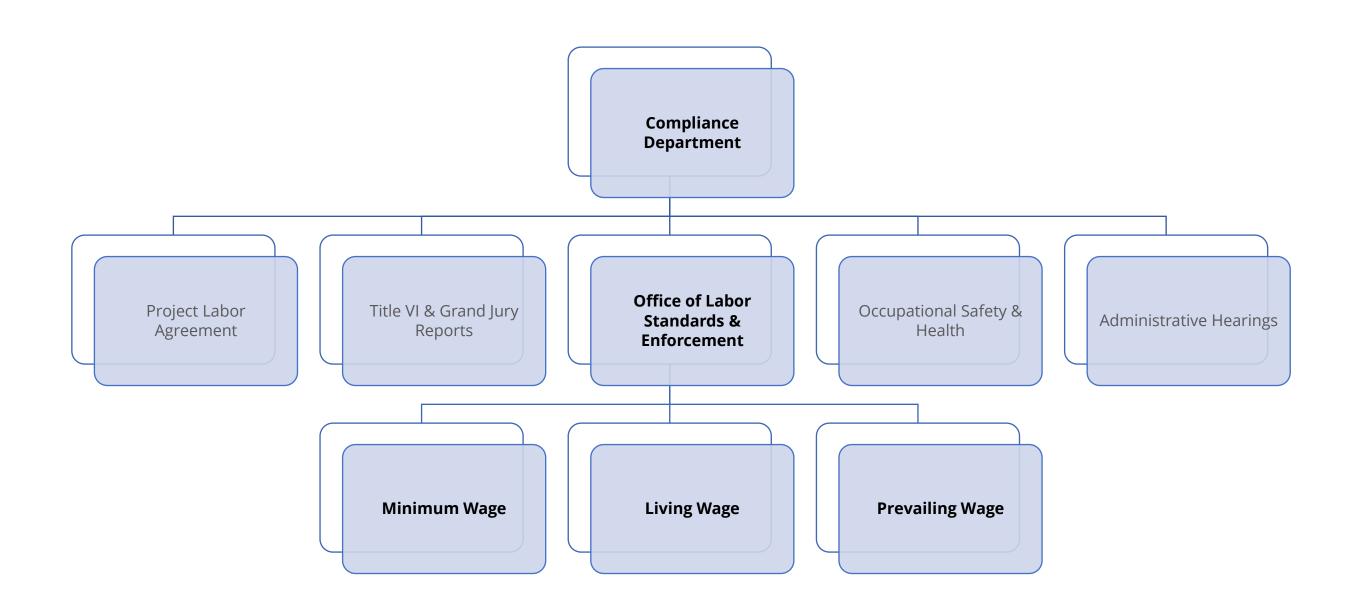
Office of Labor Standards & Enforcement

Compliance Department

February 4, 2025









Minimum Wage Program

- Enforce the Earned Sick Leave and Minimum Wage Ordinance, within the geographic boundaries of the City of San Diego
- Announce the annual minimum wage increase by October 1st, which is effective January 1st
- Conduct outreach and education to workers and businesses
- Publish notices and posters for employers
- Investigate all complaints alleging violations of the Ordinance
- Initiate proactive directed investigations



Who is covered under the Ordinance?

- Any employee who performs at least two hours of work in one or more calendar weeks of the year within the geographic boundaries of the City, including:
 - Minors
 - Salaried non-exempt employees
 - Undocumented workers
 - Part-time, temporary, or seasonal employees
 - Remote workers within the City
 - Driving through City for work-related purposes.
- No exemptions for small businesses or non-profits
- Ordinance is not applicable to:
 - Public employees such as federal, state, and school districts
 - Workers on federal enclaves, such as military bases
 - Employees exempt from California minimum wage laws



No minimum salary requirement



Ordinance Requirements for Employers

- Pay no less than the City's minimum wage per hour for all eligible employees
- Provide earned sick leave for all eligible employees
 - Accrue one hour of sick leave for every 30 hours worked
 - Unused accrued sick leave must be carried over each year or
 - Employers may front-load 40 hours of sick leave each benefit year
 - Allow use of sick leave for all reasons listed
- Notice & Posting
 - Employer to employee notices
 - Annual minimum wage poster
 - City earned sick leave poster
- Create and maintain records for at least three years
- No Retaliation



The Minimum Wage in 2025

Federal

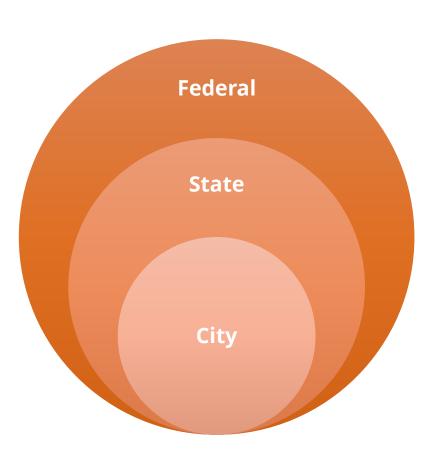
- **\$7.25** per hour since 2009 (nationwide)
- Fair Labor Standards Act (FLSA), enforced by DOL

State of California

- \$16.50 per hour for all employers
- Specific to an industry minimum wages include fast food and certain healthcare facilities
- Increases annually
- Enforced by California Dept. of Industrial Relations DLSE

City of San Diego

- \$17.25 per hour for all work within geographic boundaries of City of San Diego (citywide)
- Increases annually based on CPI
- Enforced by City OLSE Minimum Wage Program
- Employers must follow the stricter standard, the one that is most beneficial to the employee





Use of Earned Sick Leave

- **Broad use** of sick leave as determined by employee:
 - Physically or mentally unable to perform job due to illness, injury, or medical condition
 - Professional diagnosis or treatment for a medical condition
 - Pregnancy or physical exams
 - Providing care to a family member with an illness, injury or medical condition
 - Business/school is closed due to a public health emergency
- <u>Safe Time</u>: use of sick leave related to domestic violence, sexual assault, or stalking, including-
 - Medical attention needed to recover from physical/psychological injury
 - Psychological services and counseling
 - Relocation
 - Legal services, including preparing/participating in civil/criminal legal proceedings
 - Assisting a family member
- <u>Family Members</u> include child, spouse, grandparent, grandchild, sibling, or step-child/parent;
 state sick leave law includes a designated person, as determined by the employee



<u>Important Sick Leave Requirements</u>

Confidentiality

- Do not disclose details related to the medical condition of employee/family member as a condition for use of sick leave
- Keep medical/personal information confidential

Replacement:

You cannot require an employee to search for or find a replacement worker as a condition for use
of sick leave

Pay Out:

There is no requirement to pay out unused sick leave upon termination of employment

• Accrual & Use of Sick Leave:

- Begin accruing sick leave on their first day of employment
- Eligible to start using sick leave no later than 90th day of employment



What is Retaliation?

- Any threat, discipline, discharge, demotion, suspension, reduction in employee hours, or any other adverse employment action against an employee for exercising or attempting to exercise any right under the Ordinance, including:
 - Request payment of the minimum wage
 - Request and (attempted) use of paid sick leave
 - Filing complaint for alleged violations
 - Communication with any person about a violation
 - Participation in any administrative or judicial action or investigation
 - Informing any person of their rights
- Adverse action within 90 days = rebuttable presumption of retaliation
- Subject to pay back wages, liquidated damages, and penalties of \$3,000 per violation.



Traffic Control Worker Minimum Wage Ordinance

- Effective 2023, amendments 2024
- Minimum wage rates are required for traffic control workers while working under a City of San Diego traffic control permit.
- Duties include any stopping, slowing, guiding, directing, or controlling traffic, as well as setting up traffic control, guiding motor vehicles, and restoring the roadway.
- Required wages are published on the City's webpage and are tied to California prevailing wage rates for similar work.
- Enforced by OLSE Minimum Wage Program



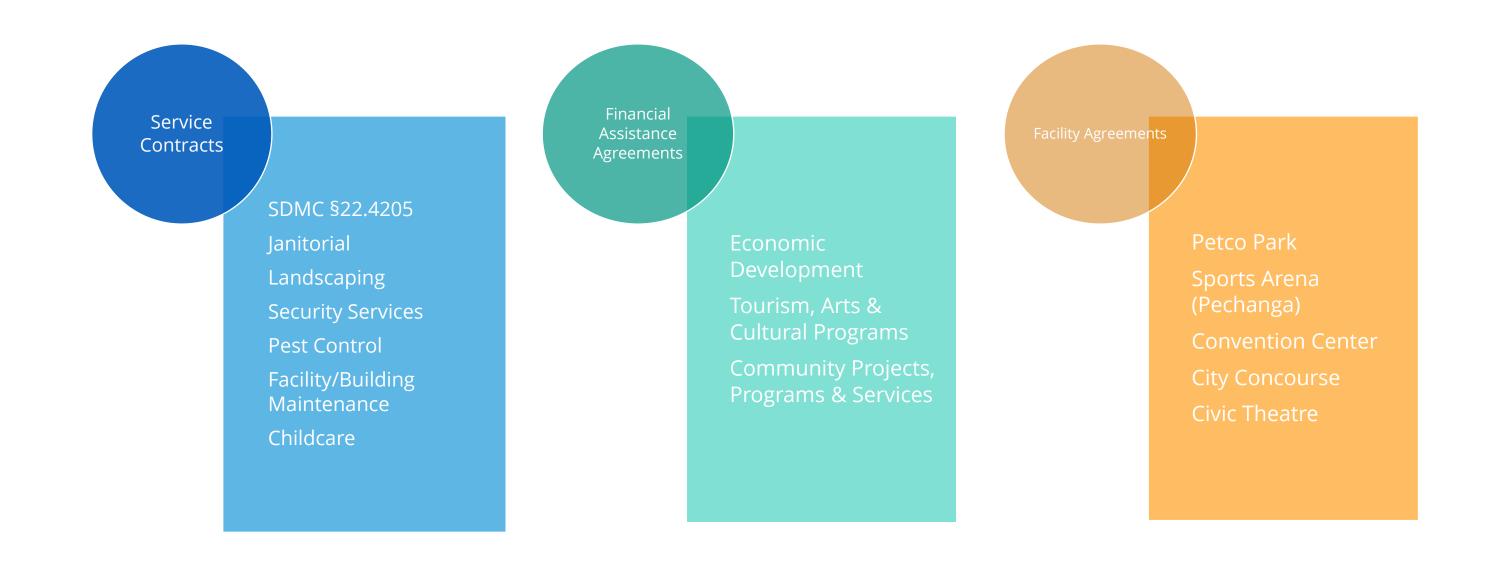


Minimum Wage Program Resources

- Contact Us:
 - Webpage: www.sandiego.gov/compliance/minimum-wage
 - Email: <u>SDMinWage@sandiego.gov</u>
 - Phone: (619) 235-5912
- Worker/Employee Resources:
 - File a complaint directly on our webpage
 - Email or call to discuss your rights and Ordinance requirements
- Employer Resources:
 - Technical assistance via telephone or email
 - Interactive geographic boundaries map
 - Posters available to download
 - Employer notice templates
 - FAQS, fact sheets, guides and steps to successful compliance
- Resources available in English, Spanish, Chinese, Tagalog, and Vietnamese.
 Contact us about translations into other languages!



Living Wage Ordinance



sandiego.gov



Living Wage Resources

- Contact Us:
 - Webpage: <u>www.sandiego.gov/compliance/living-wage</u>
 - Email: <u>ContactLWO@sandiego.gov</u>
 - Phone: (619) 236-6084
- Workers can file complaints directly on our webpage
- 2025 LWO Compliance Webinars:
 - Apr. 9, 2025, 9:00-10:30 am
 - Jul. 9, 2025, 9:00-10:30 am
 - Oct. 8, 2025, 9:00-10:30 am



Prevailing Wage Unit (PWU)

- What is Prevailing Wage?
 - Specific hourly rate of wages and benefits applicable for each craft, classification, or type of work for each geographic locality
- When does it apply?
 - Public works projects, which includes any construction, alteration, demolition, installation, maintenance, or repair work done under contract and paid in whole or in part out of public funds
- PWU monitors and enforces compliance with state and federal prevailing wage laws on City public works projects:
 - Pre-construction meetings
 - Site visits and worker interviews
 - Investigate labor code violations
 - Conduct audits and review certified payroll
 - Provides copies of certified payrolls upon request
 - Resolve complaints and report violations to DIR





Prevailing Wage Resources

- Contact Us:
 - Webpage: www.sandiego.gov/compliance/prevailing-wage
 - Email: <u>PWDPrevailingWage@sandiego.gov</u>
- Workers can file complaints directly on our webpage!
- <u>Upcoming Contractor Training</u>: April 3, 2025, 9:00-10:30 a.m.





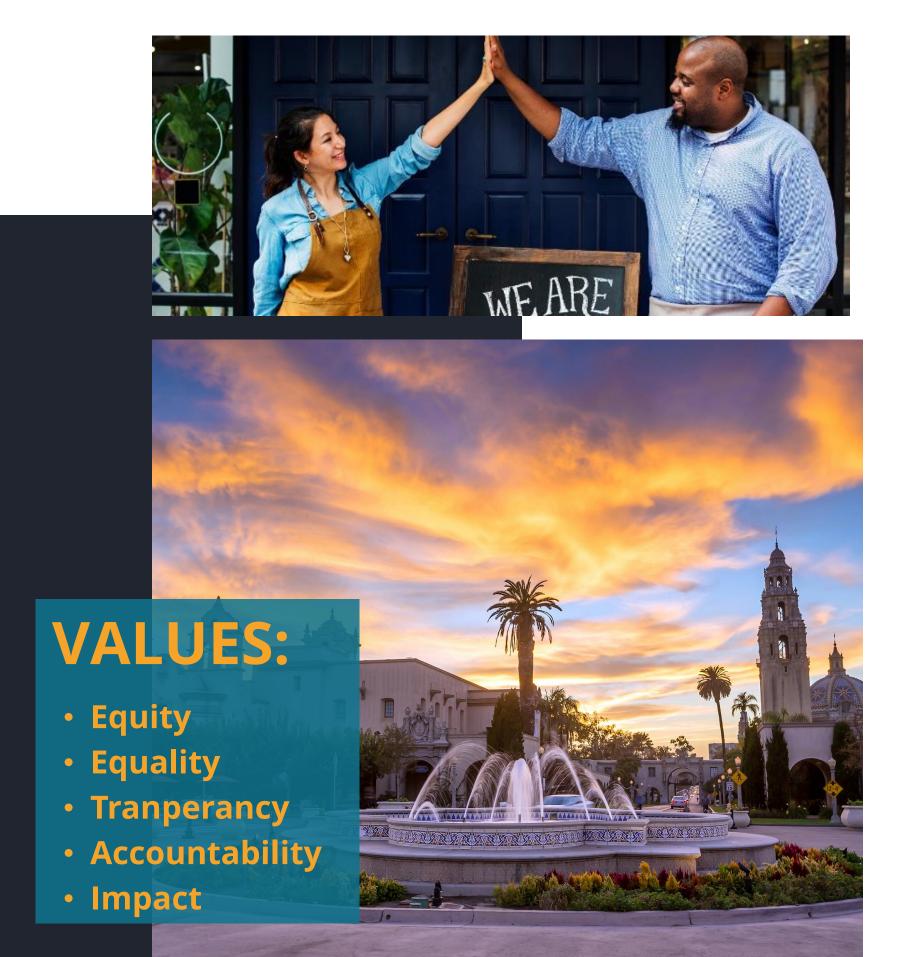
RESPONSIBLE FOR MANAGING THE ETHICS, COMPLIANCE, AND LABOR STANDARDS AND ENFORCEMENT PROGRAMS FOR THE COUNTY

OFFICE OF ETHICS AND COMPLIANCE

OFFICE OF LABOR
STANDARDS & ENFORCEMENT

CONTRACTORS AND PARTNERS

Employee Rights Center and Shaw Law Group



VISION & MISSION

01. Vision

Creating and fostering a culture of labor standards compliance in San Diego County that protects the safety of workers. We strive for a community without wage theft and workplace harassment.

02. Mission

The mission of the Office of Labor Standards & Enforcement (OLSE) is to advance labor standards through community and business engagement, strategic enforcement, innovation and study, and policy development with a commitment to workplace justice.





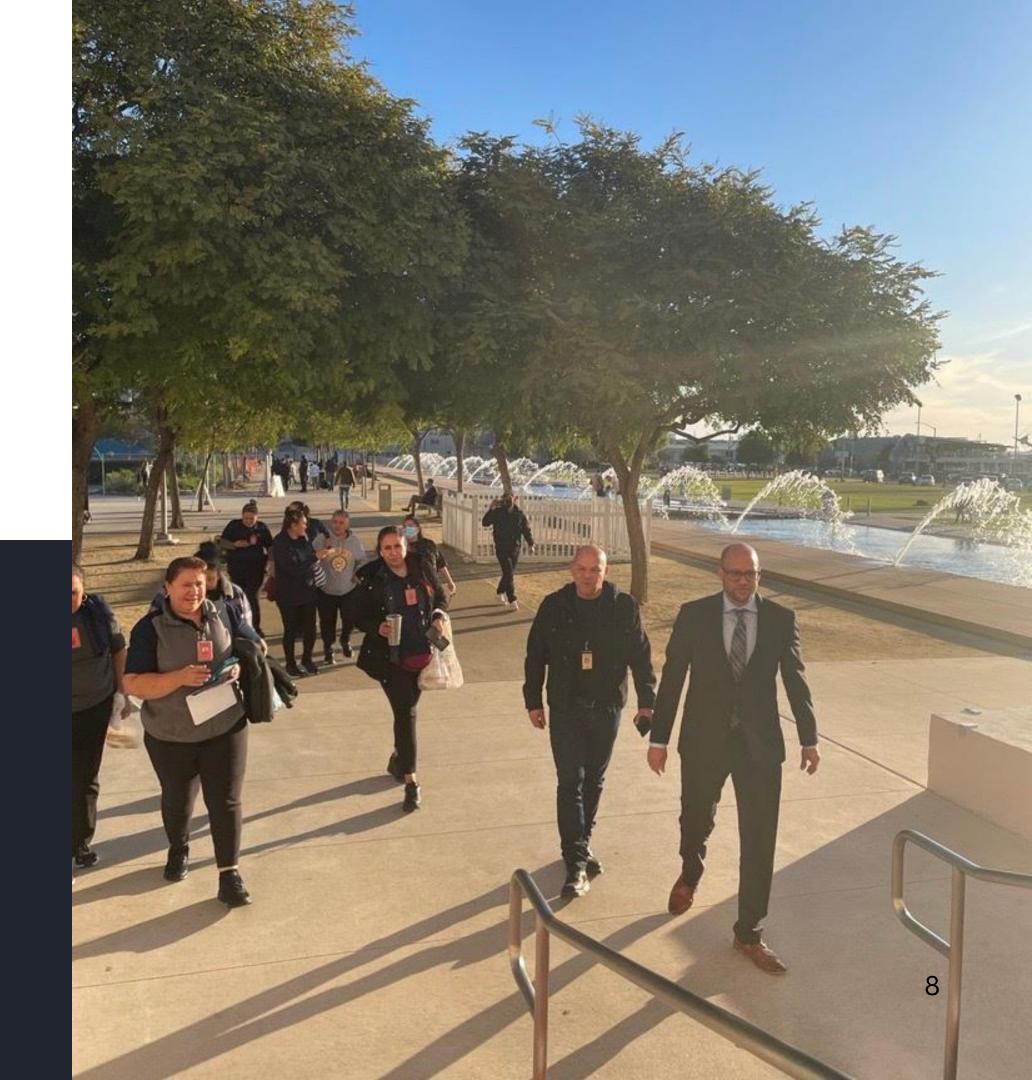
WHAT DOES OLSE DO?

Seven Foundations

- 1.Central Educational Resource for Workers and Employers
- 2.Business and Community Engagement
- 3.County Expert on Worker Issues
- 4. Annual Report with Policy Recommendations
- 5.Programs Workplace Justice Fund, Good Faith Restaurants, and more
- 6.Additional Enforcement Avenues
- 7. Coordination with Other County Departments

OLSE INITIATIVES

- Subcontractor Transparency Ordinance
- Working Families Ordinance
- Right- of- Way Done Right
- Board Policy B-74
- Wage Theft Enforcement
- Workplace Justice Fund
- Good Faith Restaurants Program
- Fair Chance Ordinance





COUNTY ORIENTED POLICIES AND INITIATIVES

01

Subcontractor Transparency Ordinance

requires contractors to disclose subcontractor information for subcontractors working on projects permitted by the County to help ensure there are no unpaid wage theft judgements against them

02

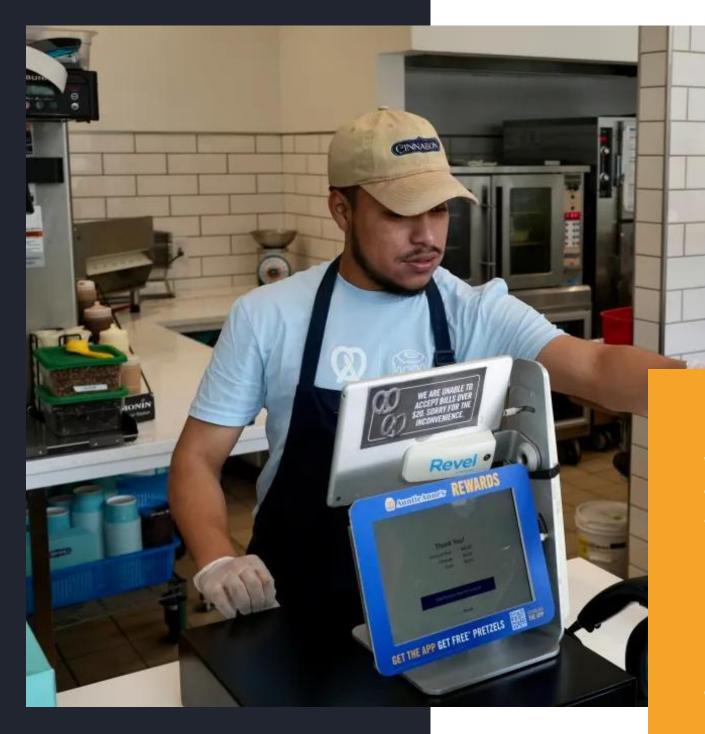
Working Families
Ordinance protects
workers' pay and working
conditions on construction
projects awarded by the
County

03

Right of Way Done Right requires a prevailing wage

be paid for all traffic control work performed by traffic control workers on roads maintained by the County of San Diego, with or without a permit 04

Board Policy B-74 protects and enhances employment protections for Property Services contractors, including janitorial, landscaping, and security services contracts



WHAT IS WAGE THEFT?

01

Wage theft is the failure to pay workers the full wages to which they are legally entitled such as minimum wage, overtime, meal breaks, and paystub deductions

02

Wage theft affects mostly women, immigrants, people of color, and young workers.

03

Workers in restaurants, construction, hotels, car washes, garment businesses, farms, warehouses, and nail salons are the most vulnerable.

04

Most workers who file wage theft claims wait months or years before getting a resolution, and only a fraction who prevail get repaid lost wages

WHAT DO WE KNOW ABOUT WAGE THEFT IN SAN DIEGO COUNTY?

Significance

A large majority of wage theft claimants file for the most egregious wage theft violations - not being at all for time worked

Difficulty

Pursuing wage theft claims is an often confusing and frustrating process that is particularly difficult for low-paid workers

Obstacles

The most common obstacles to filing wage claims are fear of retaliation and lack of information

Processing Time

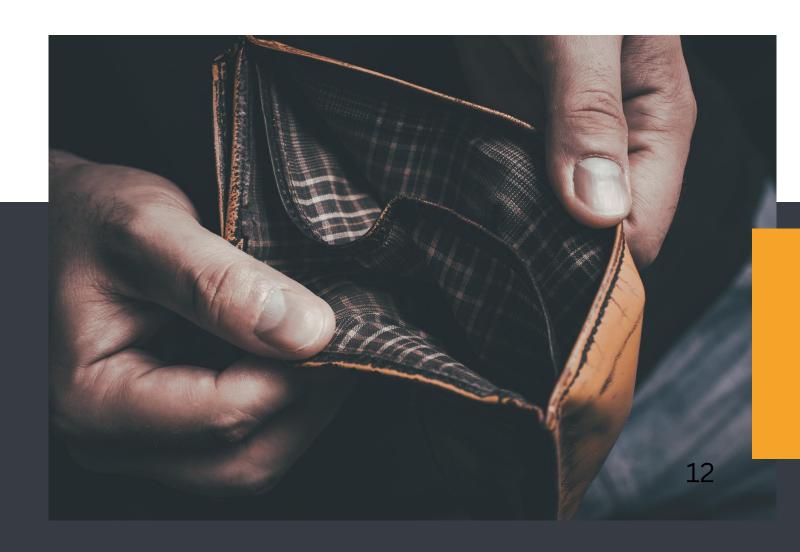
The average case filed in 2023 that actually got to a decision took double the time allowed by law. Thousands of cases filed in 2021 are still pending resolution

NUMBER OF UNPAID JUDGEMENTS IN SAN DIEGO COUNTY: 1,305

AMOUNT OWED FROM UNPAID JUDGEMENTS IN SAN DIEGO COUNTY: \$17.5 MILLION

DATA ON UNPAID JUDGEMENTS

Data from 2017 - 2024 provided by the California State Labor Commissioner's Office







WAGE THEFT ENFORCEMENT INITIATIVE

AUTHORITY

OLSE can enforce certain County and state wage laws, ensuring employers follow legal requirements for wages, hours, breaks, and benefits. OLSE also enforces several labor related ordinances for the unincorporated area of the County

ACTION

As of 2023, OLSE can help workers recover unpaid wages, including minimum wage violations, overtime pay, and stolen tips. If workers report wage theft, OLSE can launch investigations and assist in getting workers what they're owed

GOOD FAITH RESTAURANTS

PROGRAM PROCESS

STEP 1 - OLSE conducts research to discover restaurants with unsatisfied wage theft judgements and active DEHQ permits

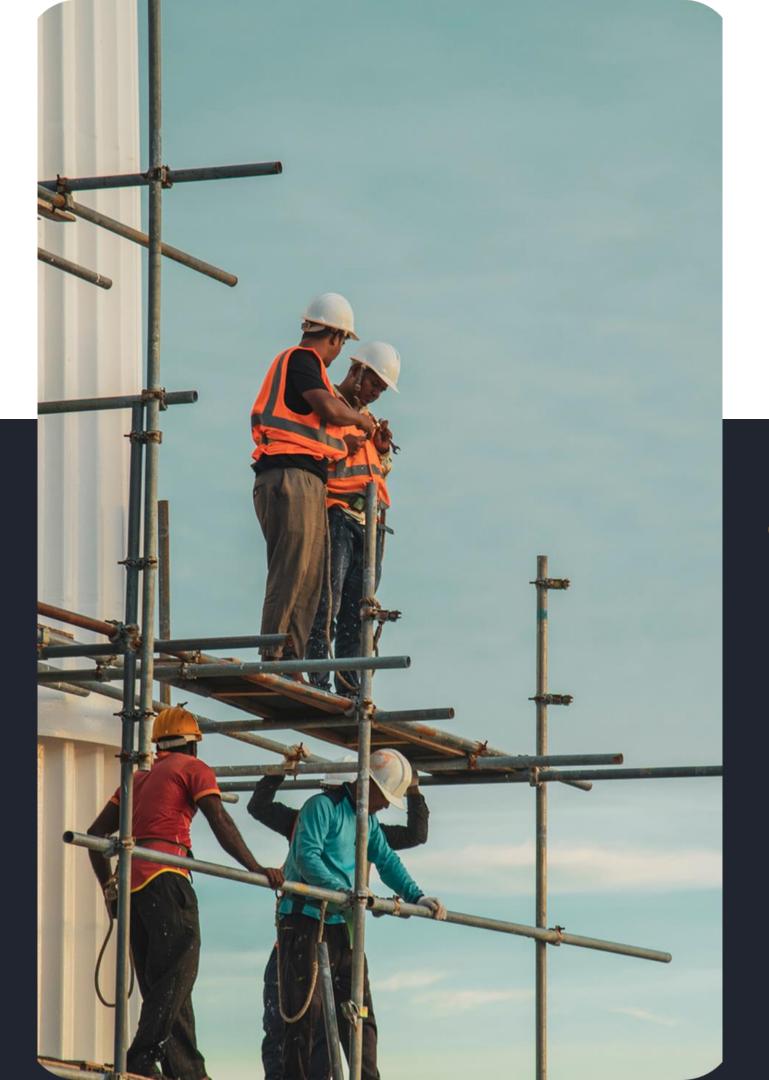
STEP 2 - OLSE contacts restaurant owners to alert them that they are operating illegally, and help them satisfy their judgement

STEP 3 - If attempts to assist in satisfying the judgement fail, DEHQ Food Facility permit is suspended indefinitely









FAIR CHANCE ORDINANCE

BUILDING ON CALIFORNIA'S FAIR CHANCE ACT, THE COUNTY'S ORDINANCE ENSURES THE FOLLOWING:

- 1 Job application
- 2 Interview
- 3 Conditional job offer
- 4 Background check
- 5 Individualized assessment
- 6 Notice and response period
- 7 Reassessment
- 8 Final notification

FAIR CHANCE HIRING TOOLKIT



RESOURCES An example of a voluntary compliance statement that Advertising Job Openings employers can add to job postings and/or application A sample conditional job offer letter that includes notice **Conditional Job Offer** of intent to conduct a criminal background check A template that can be used by employers who would like to conduct an individualized assessment in writing to consider the relevance of past convictions to the job being offered. These assessments need to be done in writing, and held on file for at least one year A sample letter an employer may use to inform a job **Preliminary Job Offer** applicant in writing of the intent to revoke a conditional Revocation job offer due to relevant criminal history After an employer informs an applicant that they intend to revoke a job offer due to the applicant's criminal history, the applicant must be given at least 5 business days to dispute the accuracy of the information and Individual Reassessment provide mitigating information. Theis sample form can be used by an employer to conduct an individualized reassessment based on information provided by the Once an employer has considered any mitigating information provided by the applicant, they may still decide to revoke the conditional job offer due to relevant criminal history. This sample letter meets the employer's responsibility to notify the applicant in writing

SAMPLE CONDITIONAL JOB OFFER LETTER

DATE

RE: Conditional Offer of Employment & Notice of Conviction Background Check

Dear (APPLICANT NAME):

We are writing to make you a conditional offer of employment for the position of [INSERT POSITION].

Before this job offer becomes final, we will check your conviction history. The form attached to this letter asks for your permission to check your conviction history and provides more information about that background check.

After reviewing your conviction history report, we will either:

- a. Notify you that this conditional job offer has become final; or
- Notify you in writing that we intend to revoke (take back) this job offer because of your conviction history.

As required by California state and San Diego County law, we will NOT consider any of the following information:

- Arrest not followed by conviction:
- Referral to or participation in a pretrial or posttrial diversion program; or
- ${\ ^{\bullet}}$ Convictions that have been sealed, dismissed, expunged, or pardoned.

As required by the California Fair Chance Act and the San Diego County Fair Chance Ordinance, we will consider whether your conviction history is directly related to the duties of the job we have offered you. We will consider all of the following:

- . The nature and seriousness of the offense
- The amount of time since the offense
- The nature of the job

We will notify you in writing if we plan to revoke (take back) this job offer after reviewing your conviction history. That decision will be preliminary, and you will have an opportunity to respond before it becomes final. We will identify conviction(s) that concern us, give you a copy of the background check report, as well as a copy of the written individualized assessment of the report and the relevance of your history to the position. We will then hold the position open, except in emergent circumstances to allow you at least 5 business days to provide information about your rehabilitation or mitigating circumstances and/or provide notice that you will provide information showing the conviction history report is inaccurate. Should you provide notice that you will provide information showing the conviction history report is inaccurate, you will have an additional 5 business days to provide that evidence. Should you provide additional information, we will then conduct a written individualized reassessment and decide whether to finalize or take back this conditional job offer. We will notify you of that decision in writing.

Sincerely, [EMPLOYER]

Enclosure: Authorization for Background Check (as required by the U.S. Fair Credit Reporting Act and California Investigative Consumer Reporting Agencies Act)



SHAW LAW GROUP

Employment Law Developments February 4, 2025

BONUS: Top 10 Ways to Stay Out of Court





Employment Law Developments - 2025

February 4, 2025 Jennifer Shaw, Esq.

425 University Avenue, Suite 200 Sacramento, California 95825 Telephone: 916.640.2240 Facsimile: 916.640.2241 http://shawlawgroup.com



Please Note...

- This program is a general overview of the new laws for 2025, and should not be considered legal advice regarding any specific situation
- Consult with your regular counsel before making any changes to your practices



Civil Right Department's Small Employer Family Leave Mediation Program Expanded

- Will now include reproductive loss leave
- Statute of limitations is tolled for claims related to reproductive loss leave
- There is no longer a repeal date

[AB 2011]



Discrimination and Harassment May Be Based on a Combination of Characteristics

- The Unruh Civil Rights Act, the provisions of the Education Code prohibiting discrimination in public education, and the FEHA prohibit discrimination on the basis not just of individual protected characteristics, but also on the basis of the intersectionality (i.e., a combination) of two or more such characteristics
- Applies to public and private sector employers

[SB 1137]



Correction to FEHA's Definition of "Race"

- Includes traits associated with race, including, but not limited to, hair texture and protective hairstyles
- Proof of a "historical" connection between the trait and race is not required

[AB 1815]



California State Minimum Wage Increases

- \$16.50 an hour
 - White collar exempt salary must be at least \$68,640 per year
 - Compensation for computer professionals must be at least \$56.97 per hour (\$118,657.43 per year)
 - Compensation for licensed physicians and surgeons must be at least \$103.75 per hour
- Don't forget about local ordinances!



Health Care Worker Minimum Wage

- Effective 10/16/24
- Required for employees who (1) work for a covered "health care facility," and
 (2) provide health care services or support the provision of health care
- The amount of the minimum wage increase varies across different employers, and will increase in phases
 - Most larger facilities = \$23 per hour
 - Most smaller facilities = \$21 per hour



Health Care Worker Minimum Wage (cont.)

- Facilities with a large percentage of Medicare and Medicaid patients, rural independent hospitals, and small county facilities = \$18 per hour
- Will continue to adjust annually based on the Consumer Price Index

[SB 525]



PAGA "Reform"

- A welcome development for employers
- New penalty structure
 - Reduced penalties for employers who proactively take steps to ensure compliance before receiving a PAGA notice
 - Reduced penalties for employers who quickly take steps to correct non-compliance after receiving a PAGA notice
 - "Fraudulently," or "oppressively"



PAGA "Reform" (cont.)

- A larger portion of the penalties are given to affected employees
- Wage-hour audits are now a necessity

[SB 92, AB 2288]



Workplace Violence Prevention Plans Mandatory

- Effective 7/1/24
- Requires public and private sector employers to implement a Workplace Violence Prevention Plan, maintain certain records, and provide at least annual training for all employees that is customized to the worksite

[SB 553]



New Cal/OSHA Indoor Heat Standard

- Effective 7/24/24
- Does not apply to:
 - Teleworking employees who choose where they work
 - "Incidental heat exposure" over 82°F and less than
 95°F of less than 15 minutes in a 60-minute period
 - Emergency operations for protection of life or property
- First trigger: 82°F (including)
 - Provide cool-down areas
 - Provide water near workstation and in cool-down areas



New Cal/OSHA Indoor Heat Standard (cont.)

- Cool-down areas should be maintained at less than 82°F
- Second trigger:
 - 87°F (temperature or heat index)
 - 82°F and "high radiant heat area," or clothing restricts heat removal
 - Measure and maintain records of temperatures, or assume triggers are met and implement controls
- Establish and maintain a written Indoor Heat Illness Prevention Plan



New Workers' Compensation Notice Required

- All public and private sector employers must post a DIR notice informing employees that they have a right to consult with a licensed attorney about workers' compensation laws, and that their attorneys' fees may be paid as part of the injured worker's award
- Notice is available at <u>https://www.dir.ca.gov/dwc/noticeposter.pdf</u>

[AB 1870]



Another New Notice

- In December 2024, the Labor Commissioner created a model list of employee rights and responsibilities that is compliant with existing notice requirements, available here:
 - https://www.dir.ca.gov/dlse/whistleblowersnotice.pdf
- The notice must be written in a font larger than 14 point and contain the telephone number of the whistleblower hotline



Another New Notice (cont.)

 The Labor Commissioner previously issued a sample notice but included a statement that it did not guarantee that the notice complied with applicable law

[AB 2299]



Use of Paid Time Off Not Required to Receive Paid Family Leave Benefits

- Employers may no longer require employees to use accrued paid time off before becoming eligible for "Paid Family Leave" benefits
- Paid Family Leave is a wage replacement benefit, not a leave of absence;
 the employee must be eligible for leave under the law or the employer's policy before becoming eligible for Paid Family Leave benefits

[AB 2123]



- Labor Code sections 230 and 230.1 are repealed and moved to the FEHA
- The new term is "qualifying act of violence," which is defined as domestic violence, sexual assault, stalking, or any act, conduct, or pattern of conduct that includes (i) bodily injury or death to another; (ii) brandishing, exhibiting, or drawing a firearm or other dangerous weapon; or (iii) a perceived or actual threat to use force against another to cause physical injury or death



- Employers of any size are prohibited from retaliating against or otherwise discriminating against employees who take time off to obtain or attempt to obtain a restraining order or other injunctive relief to help ensure the health, safety, or welfare of the employee or their child where the employee is a victim of a qualifying act of violence
- Employers of any size are prohibited from discriminating or retaliating against employees because of the employee's status or their family member's status as a victim of a qualifying act of violence



- Employers with 25 or more employees must provide the same protections for an employee whose "family member" is a victim of a qualifying act of violence
 - A child, parent, grandparent, grandchild, sibling, spouse, or domestic partner (as those terms are defined under the CFRA); or
 - A designated person whose association with the employee is the equivalent of a family relationship



- Employers with 25 or more employees cannot discharge or discriminate against an employee who is or has a family member who is a victim of a qualifying act of violence for taking time off work to:
 - Obtain or attempt to obtain relief, such as a restraining order or other injunctive relief
 - Seek or obtain medical attention for or to recover from injuries
 - Seek or obtain services from a domestic violence shelter or similar victim services organization



- Seek or obtain psychological counseling or other mental health services
- Participate in safety planning
- Relocate or engage in the process of securing a new residence, including temporary or permanent housing or enroll children in a new school
- Provide care to a family member who is recovering from injuries
- Seek or obtain civil or criminal legal services
- Prepare for, participate in, or attend any civil, administrative, or criminal legal proceeding



- Seek, obtain, or provide childcare or care to a caredependent adult if necessary to ensure the safety of the child or dependent adult
- The total amount of protected leave to which an employee is entitled to depends on whether the victim is the employee (12 weeks) or the employee's family member (10 days)
 - Leave runs concurrently with the CFRA and FMLA and does not provide an employee with a right to leave that exceeds leave provided under the FMLA



- All employers must continue to provide reasonable accommodations to employees who are victims or whose family members are victims and may request appropriate documentation
- The CRD will publish a required notice no later than
 7/1/25

[AB 2499]



Expanded Paid Sick Leave for Agricultural Employees

- Effective 9/24/24
- Applies to employees covered by IWC Wage Orders 8, 13, and 14
- Amends California's paid sick leave law to require that employers provide paid sick days to agricultural employees who (i) work outside, and (ii) request sick leave to avoid smoke, heat, or flooding conditions created by a local or state emergency, or to receive preventive care due to their work or such conditions

[SB 1105]



Freelance Workers Protection Act

- Provides expanded protections to freelance workers by establishing minimum contract requirements
- "Freelance worker" is defined as a person hired as a bona fide independent contractor to provide professional services in exchange for \$250 or more
 - The services include multiple categories of freelance-style work, such as marketing, human resources, graphic design, photography, estheticians, and others



Freelance Workers Protection Act (cont.)

 In addition to requiring a written contract containing various provisions, the law requires the hiring entity to provide a signed copy of the contract to the freelance worker, and to retain the contract for four years

[SB 988]



Do Not Require a Driver's License Unless Necessary for the Job

Employers may not include a statement in applications and other materials requiring that a successful applicant must have a driver's license unless:

- Driving reasonably is expected to be a job function; and
- Completing the job function using alternative transportation "would not be comparable in travel time or cost to the employer"

[SB 1100]



"Worker "Freedom from Employer Intimidation Act""

- Limits an employer's ability to communicate with employees regarding political or religious matters during mandatory meetings held at work
- "Political matters" includes "the decision to join or support any political party or politician or labor organization"
- Employers must pay any employee who is working but declines to attend the meeting
- Excludes religious institutions and groups that are exempt from Title VII of the Civil Rights Act of 1964 or California prohibitions against employment discrimination



"Worker Freedom from Employer Intimidation Act" (cont.)

• \$500 penalty per employee, per violation

[SB 399]



Top 10 Ways to Stay Out of Court

- 1. Follow appropriate hiring practices
- 2. Ensure your employees receive engaging compliance training
- 3. Follow wage-hour laws
- 4. Conduct regular performance evaluations
- 5. Use your HR resources
- 6. Talk the talk, and walk the walk
- 7. Be fair
- 8. Manage by walking around
- 9. Follow the Platinum Rule
- 10. Stay on top of workplace law developments



Questions AND ANSWERS!





Thank You!

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We Solve Workplace Problems.®



