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Just in Time for Halloween: Eighteen New California Laws Will Make it Scarier for Employers with Operations in the State

By Stephen L. Berry & Blake R. Bertagna

Sacramento seemingly believes that the great California weather and lifestyle outweigh any possible incentive for employers to leave or reduce their presence in the state that results from its annual basket of new employment laws. During the legislative session that just ended, the California legislature enacted, and Governor Jerry Brown signed, 18 new laws that impose additional burdens on employers and expose them to more legal risks. Except where otherwise specified in this alert, all of the new laws take effect on January 1, 2016. Employers with operations in California should prepare now.

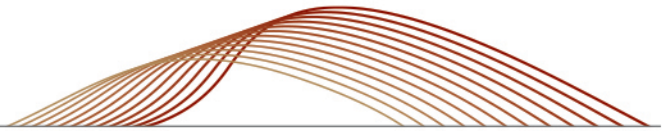
Discrimination, Harassment and Retaliation

SB 358 (Equal Pay Law Expansion)

Labor Code section 1197.5 currently prohibits an employer from paying an employee at a wage rate that is less than the rate paid to employees of the opposite sex *in the same establishment for equal work*, unless the employer can demonstrate that the wage differential is based upon (1) a seniority system, (2) a merit system, (3) a system which measures earnings by quantity or quality of production, or (4) any "bona fide factor other than sex."

SB 358, labeled the "Fair Pay Act" and described by some as the toughest equal pay law in the U.S., amends Section 1197.5 in part by removing the requirement that the wage differential be within the same establishment. Under the new law employees are prohibited from paying ***any*** of their employees at wage rates less than those paid to employees of the opposite sex for "substantially similar work," which is now to be determined based on a "composite of skill, effort, and responsibility, and performed under similar working conditions."

SB 358 also heightens the burden on employers for defending against wage discrimination claims. To demonstrate that the wage differential is based upon a bona fide factor other than sex, the employer must show that it (1) is not based on, or derived from, a sex-based differential in compensation, (2) is related to the job at issue, and (3) is consistent with business necessity, which is defined as an "overriding legitimate business propose." In addition, the employer must demonstrate that each factor relied upon is "applied reasonably," and that one or more of the relied-upon factors accounts for the *entire* pay differential.



The new law provides that the bona fide factor other than sex defense can be defeated by an employee showing that an alternative business practice was available that would not have produced the wage differential.

SB 358 also prohibits employers from discharging or in any way discriminating or retaliating against employees who disclose, discuss, or inquire about their own or their co-workers' wages for the purpose of enforcing their rights under the new law, and authorizes a civil lawsuit for reinstatement and reimbursement for lost wages and work benefits by any employee who has been discriminated or retaliated against in violation of the law.

AB 987 (New Claim for Retaliation Based on Reasonable Accommodation Request)

California's Fair Employment and Housing Act ("FEHA") requires employers to reasonably accommodate the known disabilities, as well as the bona fide religious beliefs and observances, of applicants and employees. The FEHA prohibits retaliation against any person who opposes any of the forbidden employment practices or who has filed a complaint, testified, or assisted in connection with a complaint under that law. In *Rope v. Auto-Chlor System of Washington, Inc.*, 220 Cal. App. 4th 635, 652 (2013), the California court of appeals held that "a mere request -- or even repeated requests -- for an accommodation, without more [does not constitute] a protected activity sufficient to support a claim for retaliation in violation of FEHA." AB 987 legislatively overturns this ruling by amending the FEHA to provide that requesting a reasonable accommodation on the basis of religion or disability ***is*** a protected activity. As a result, employees can now claim retaliation because they requested an accommodation of their disability or religious beliefs, regardless of whether the accommodation request is granted.

AB 1509 (New Claim for Retaliation by Family Member-Coworker of Claimant)

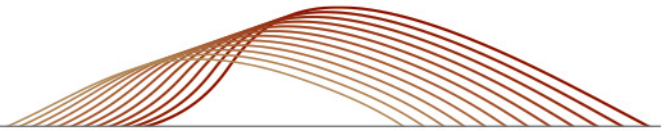
Labor Code section 98.6 currently prohibits an employer from discriminating, retaliating, or taking adverse action against any employee or applicant for employment because they filed a claim with the Labor Commissioner or engaged in other protected conduct relating to the enforcement of their rights under the Labor Code.

AB 1509 expands the retaliation protection in Section 98.6. Under the new law, an employer, or a person acting on behalf of the employer, is prohibited from retaliating against an employee because the employee is a family member of a person who has, or is perceived to have, engaged in protected activity under applicable provisions of the Labor Code.

The new law also extends financial responsibility for retaliation by a labor contractor (staffing firm) to the "client employer." AB 1509 adopts the definition of a "client employer" that exists in Labor Code section 2810.3, *i.e.*, "A business entity, regardless of its form, that obtains or is provided workers to perform labor within its usual course of business from a labor contractor."

The new protections under AB 1509 do not extend the protection under Labor Code section 96(k) -- prohibiting demotion, suspension, and discharge based on lawful conduct occurring during nonworking hours away from the employer's premises -- to family member-coworkers, unless the off-duty conduct involves the exercise of employee rights under Section 98.6.

AB 1509 adds similar provisions to Labor Code section 1102.5 (the California Whistleblower Act) and to Labor Code section 6310 (workplace safety complaints).



SB 600 (Prohibition of Discrimination by Business Establishments Based on Immigration Status)

The Unruh Civil Rights Act prohibits business establishments from denying equal accommodations and services on the basis of sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, or sexual orientation. SB 600 amends the Unruh Act to expressly prohibit discrimination on the basis of (1) citizenship, (2) primary language, and (3) immigration status. The new law provides that verification of immigration status and any discrimination based upon verified immigration status, where required by federal law, will not constitute a violation of Unruh Act, and that the provision of services or documents in a language other than English is not required beyond what is currently required by federal, state, or local law.

Employee Leaves

AB 304 (Amendments to Healthy Workplaces, Healthy Families Act of 2014)

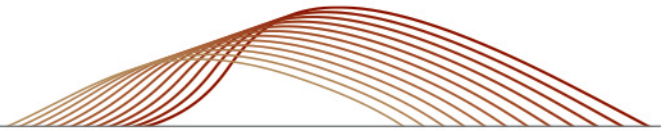
Shortly after the Healthy Workplaces, Healthy Families Act of 2014 ("HWHFA"), which mandates employer-provided paid sick leave, took effect on July 1, 2015, the legislature passed AB 304 and Governor Brown signed it as emergency legislation, making it immediately effective. This amendment to the HWHFA:

- Delineates how an employer can calculate the rate of pay for paid sick leave provided to nonexempt and overtime exempt employees;
- Clarifies that the 30-day eligibility period for employees to be entitled to paid sick leave applies to time worked "with the same employer";
- Provides alternative accrual methods that are not tied to hours worked, in addition to the method of accruing one hour of paid sick leave for every 30 hours worked;
- Explains that employers who have preexisting sick leave and paid time off ("PTO") policies need not provide any additional paid sick leave if their current polices make paid sick leave available for the same purposes and conditions as the HWHFA;
- Clarifies that providing the "full amount of leave" under the lump-sum accrual method under the HWHFA requires the employer to provide three days or 24 hours at the beginning of each calendar year, year of employment, or other 12-month period; and
- Authorizes employers who have unlimited paid sick leave or PTO policies to satisfy the amount of available paid sick time notification requirement by showing the paid sick leave balance as "unlimited" on the employee wage statement or the alternative written notice that is provided each pay period.

A detailed discussion of the changes effected by AB 304 is in a prior Client Alert, available at http://www.paulhastings.com/publications-items/details/?id=af34e669-2334-6428-811c-ff00004cbded.

SB 579 (Expansion of School Activities Leave)

Currently, Labor Code section 230.8 allows a parent, grandparent, or guardian to take unpaid time off from work (up to 40 hours each year) to participate in activities at a child's elementary, middle or high school or licensed child day care facility. SB 579 expands this leave entitlement to include time off



from work to (1) find, enroll, or reenroll his or her child in a school or with a licensed child care provider (not only licensed child day care facilities), and (2) to address a "child care provider or school emergency," which is defined to mean any of the following: that the school or child care provider requested that the child be picked up, that there is a behavioral or discipline problem with the child that needs to be addressed with the school or child care provider, that there is a closure or unexpected unavailability of the school or child care provider, or that there is a natural disaster, such as an earthquake or fire, requiring that the child be kept home or picked up from the school or child care provider.

The new law also expands the categories of individuals authorized to take this time off to include a stepparent, foster parent, or person who stands *in loco parentis* (in the place of a parent) to a child. Employers may not discriminate against or discharge for taking such time off.

SB 579 also expands the scope of and protections under Labor Code section 233. Currently, Section 233 requires an employer to permit an employee to use a portion of the employee's accrued and available paid sick leave benefits to attend to the illness of a child, parent, spouse, or domestic partner of the employee, and prohibits employers from discriminating against or discharging employees for using paid sick leave for this purpose. SB 579 incorporates into Section 233 the HWHFA's definition of "family member" and the purposes for which sick leave may be used under that law.

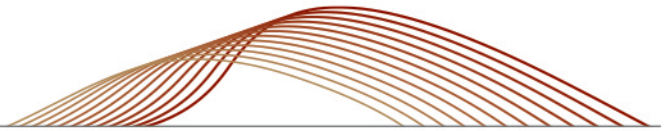
Wage and Hour

AB 1506 (Right to Cure Certain Noncompliant Information in Itemized Wage Statements)

The Labor Code Private Attorneys General Act of 2004, California Labor Code sections 2698, *et seq*. ("PAGA"), allows an "aggrieved employee" to bring a lawsuit against an employer "personally and on behalf of other current or former employees to recover civil penalties for Labor Code violations." The potential penalties are $100 per employee per pay period for the first violation and $200 per employee per pay period for subsequent violations starting one year before the lawsuit is filed. If there is a large workforce that is paid weekly, the potential award can easily amount to seven figures or more. And there is a huge financial incentive to bring such representative claims because the plaintiff gets a bounty of 25% of the awarded monetary penalties and the plaintiff's attorney can recover attorneys' fees and legal costs. Not surprisingly, since the enactment of PAGA, employers have faced hundreds of thousands of representative actions seeking substantial monetary penalties, frequently for technical, "gotcha" violations on paystubs.

For the Labor Code violations listed in Section 2699.5 of PAGA, a plaintiff may commence a civil action after giving written notice to the Labor and Workforce Development Agency ("LWDA") and waiting 33 days to see if the LWDA will investigate, which it rarely does. For all Labor Code violations not specified in Section 2699.5 that do not provide their own penalties, before a current or former employee can commence a PAGA penalty lawsuit, the employee must first provide the employer with notice of the alleged violation to give the employer an opportunity to cure the problem. If the problem is cured, no lawsuit for penalties under PAGA may be filed.

Labor Code section 226(a) requires employers to provide employees with accurate, itemized wage statements that contain nine specified items of information, including the inclusive dates of the period for which the employee is paid, and the name and address of the legal entity that is the employer. Under current law, a violation of Section 226(a) is subject to a PAGA penalty lawsuit without any right



to cure. Thus, for example, employers have faced and settled PAGA lawsuits for inadvertently omitting "Inc." from the end of the company name.

AB 1506 amends PAGA to require a current or former employee to give notice and an opportunity for the employer to fix wage statements that allegedly fail to include the inclusive dates of the period for which the employee is paid, and/or do not show the correct name or address of the legal entity that is the employer. The new law provides that a violation is deemed cured upon a showing that the employer has provided a fully compliant, itemized wage statement to each aggrieved employee. However, AB 1506 limits the employer's right to cure these alleged violations to once in a 12-month period.

AB 1513 (Hourly Pay for Rest and Recovery Periods for Piece-Rate Workers)

AB 1513 codifies the rulings in some recent California court cases holding that the state minimum wage law requires workers who are paid on a piece-rate basis to also receive a separate hourly wage for otherwise compensable time not spent on their piece-rate work, *i.e.*, "non-productive time." *See, e.g., Gonzalez v. Downtown LA Motors LP*, 215 Cal. App. 4th 36 (2013). The new law discourages employers from adopting or maintaining a piece-rate pay system by making them administratively burdensome and increasing the legal risk associated with them.

AB 1513 adds new Labor Code section 226.2, and requires piece-rate workers to be paid for (1) "rest and recovery periods," and (2) "other nonproductive time" separate and apart from their piece-rate compensation.

For rest and recovery periods, piece-rate workers must receive an hourly rate of pay no less than:

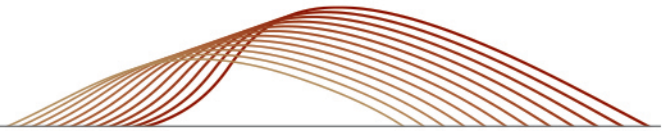
- An average hourly rate determined by dividing the total compensation for the workweek, exclusive of compensation for rest and recovery periods and any premium compensation for overtime, by the total hours worked during the workweek, exclusive of rest and recovery periods; or
- The applicable minimum wage.

Under the new law, piece-rate workers paid on a semimonthly basis must be paid at least at the applicable minimum wage rate for the rest and recovery periods together with other wages for the payroll period during which the rest and recovery periods occurred.

For "other nonproductive time," piece-rate workers must be paid an hourly rate that is no less than the applicable minimum wage for all such time as determined either through the employer's actual records or its reasonable estimate of this time.

AB 1513 also amends Labor Code section 226(a), requiring employers to include the following additional items of information on the itemized wage statements of piece-rate workers:

- The total hours of compensable rest and recovery periods, the rate of compensation, and the gross wages paid for those periods during the pay period; and
- The total hours of other nonproductive time, the rate of compensation, and the gross wages paid for that time during the pay period.



The new law gives certain publicly-traded companies (those acquired after July 1, 2015, and before October 1, 2015, which have the requisite number of employees nationwide and in California) until April 30, 2016, to program their payroll systems to comply with the new compensation requirements and generate compliant itemized wage statements, so long as the employer pays piece-rate employees for all rest and recovery periods at or above the applicable minimum wage from January 1, 2016, to April 30, 2016, and pays the difference between the amounts paid and the average rate that would be owed, plus interest, by April 30, 2016.

AB 1513 exempts an employer from civil penalties and liquidated damages if the employer is found to have made a good-faith error in determining the total or estimated amount of other nonproductive time worked during the pay period, as long as the employer provided the required information on the wage statement and the employee was paid at least minimum wage for the day, including any required overtime pay.

In addition, AB 1513 provides a safe harbor from a civil action for unpaid wages based on rest and recovery periods and other nonproductive time prior to and including December 31, 2015, if, by December 15, 2016, the employer makes payments to each of its employees for previously uncompensated or undercompensated rest and recovery periods and other nonproductive time for the period July 1, 2012, to December 31, 2015, using one of two specified formulas. In addition, an employer who makes a reasonable and good-faith error in determining the amount owed or in the wage statements provided to the employees does not lose the safe harbor, if the employer, within 30 days of discovery or notice of the error, makes the correct payments plus interest and provides corrected and accurate wage statements.

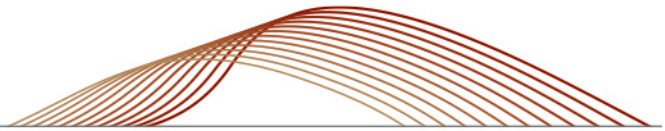
AB 970 (Labor Commissioner's Expanded Authority to Enforce Wage Violations)

This new law amends Labor Code sections 558 (overtime) and 1197.1 (minimum wages), authorizing the Labor Commissioner to investigate violations of city or county overtime and minimum wage laws upon request of the local agency, and to issue citations and impose penalties for such violations, unless the local government has already issued a citation for the same violation.

AB 970 also amends Labor Code section 2802, authorizing the Labor Commissioner to enforce that law by issuing citations and imposing penalties on employers for violation of the requirement that the employer indemnify its employees for expenses necessarily incurred in the discharge of their duties. Any recovered penalties are paid to the affected employees.

SB 588 (Labor Commissioner's Enforcement of Judgments)

Citing the challenges that employees confront in trying to collect on judgments against their employers for wage violations, SB 588 establishes the following new procedures for the Labor Commissioner to enforce judgments against employers who fail to satisfy a final judgment against them for nonpayment of wages. First, after a judgment for unpaid wages is entered by a court in favor of the Labor Commissioner or employee, with the consent of the aggrieved worker, the Labor Commissioner can mail a notice of levy to all persons who possess or control any credits, money, or property belonging to the employer. Any such person who receives a levy must surrender the credits, money, or property to the Labor Commissioner, or pay the Labor Commissioner the amount owed, within 10 days of service. Second, if a final judgment against an employer for unpaid wages remains unsatisfied for 30 days after the time to appeal the judgment has expired and no appeal is pending, the employer must cease business operations in the state unless the employer has obtained a surety bond to cover the value of the judgment. Third, SB 588 makes owners, directors, officers, and



managing agents of the employer individually liable for a willful failure to pay wages, provide a paystub, pay unpaid minimum wages or overtime, or indemnify an employee as required under Labor Code section 2802.

Independent Contractor Misclassification

AB 621 (Amnesty for Converting Independent Contractor Drayage Drivers to Employees)

About 40% of all goods imported to the United States come by container on cargo ships to the Port of Los Angeles and the Port of Long Beach. Transportation companies then arrange for the movement of the cargo from the ports to warehouses and distribution centers. Much of this drayage work is performed by independent owner-operator commercial drivers. The transportation companies who contract with these owner-operators have been under attack by unions who seek to have the commercial drivers declared to be employees so they can be organized, and by plaintiffs' lawyers who have been filing misclassification wage and hour class actions at a record pace.

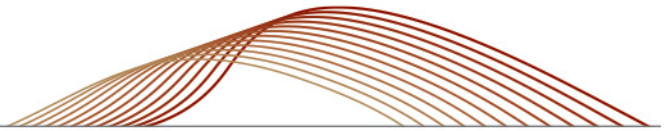
AB 621 adds Section 2750.8 to the Labor Code, and encourages conversion of these owner-operators to employees by creating the "Motor Carrier Employer Amnesty Program." Under the program, which ends on December 31, 2016, an eligible transportation company that performs drayage services at any port in California is relieved of liability for statutory or civil penalties associated with the alleged misclassification of the owner-operators with whom it contracts if the company executes a settlement agreement with the Labor Commissioner agreeing to classify all of the owner-operators it uses as employees.

To be eligible for the program, the transportation company cannot be a defendant in a lawsuit for misclassification that was filed on or before December 31, 2015 and cannot have received a penalty assessment under Section 1128 of the Unemployment Insurance Code.

To participate in the program, a transportation company must apply for participation and conduct a self-audit of its owner-operators. In addition, if the company was party to a lawsuit for misclassification that concluded on or before January 1, 2016, the company must provide documentation showing that the company has reclassified the independent owner-operators as employees.

AB 621 exempts from PAGA penalty lawsuits a transportation company that has submitted an application for participation in the program. The law also provides that if the application to participate in the program is denied by the Labor Commissioner, the fact and contents of the application are not admissible in any legal action against the company for misclassification of the owner-operators with whom it does business.

If the company is accepted into the program, the Labor Commissioner must negotiate a settlement agreement with the company prior to January 1, 2017, which includes the following provisions: (1) payment of all wages, benefits and taxes owed to the individuals reclassified from independent contractors to employees from the first date of their contractor relationship with the company, up to the maximum statute of limitations, (2) maintenance of all converted commercial driver positions as employee positions, (3) agreement that all future commercial drivers that work with the company will be presumed to be employees and that in any future proceeding, the company will have the burden to prove by clear and convincing evidence that they are not employees, (4) provision of workers'



compensation insurance coverage for all reclassified drivers, and (5) payment of the costs of the Labor Commissioner in negotiating and monitoring the settlement agreement.

The new law gives the Labor Commissioner the right to bring a civil action to enforce the settlement agreement and to recover attorneys' fees and costs if it is determined that the company has violated or failed to perform any of its obligations under the settlement agreement.

AB 621 also adds Sections 1160, 1162, and 1164 to the Unemployment Insurance Code to coordinate the implementation of the program.

AB 202 (Mandated Employee Status for Professional Sports Cheerleaders)

Legislation designed to deter and punish improper use of independent contractors has been on the rise for several years. AB 202 signals a new trend -- mandated employee status. The law adds Section 2754 to the Labor Code, providing that any "cheerleader" utilized by a California-based professional sports team, whether hired directly or indirectly through a labor contractor, is deemed to be an employee for purposes of all provisions of California law governing employment, including the Labor Code, the Unemployment Insurance Code, and the FEHA, and that the professional sports team must ensure that its cheerleaders are classified as employees.

Undocumented Workers

AB 622 (Restrictions on Use of E-Verify)

The federal E-Verify system enables participating employers to use the system to verify that new hires are legally authorized to work in the United States. AB 622 prohibits using E-Verify to check the employment authorization status of (1) an existing employee, or (2) an applicant who has not received an offer of employment, except as required by federal law or as a condition of receiving federal funds. The new law does not prohibit using E-Verify to confirm that a person who has been offered employment is legally authorized to work, as long as such use is consistent with federal law.

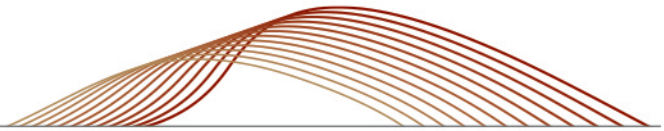
SB 623 (Workers' Compensation Benefits Regardless of Immigration Status)

The Uninsured Employers Benefits Trust Fund ("UEBTF") and the Subsequent Injuries Benefits Trust Fund ("SIBTF") provide benefits for injured workers who wish to obtain workers' compensation benefits but are employed by illegally uninsured employers. Existing workers' compensation regulations prohibit an undocumented injured worker from receiving benefits from both the UEBTF and the SIBTF. SB 623 adds Section 3733 to the Labor Code, effectively rescinding the regulations by expressly providing that undocumented injured workers are eligible for benefits from the UEBTF and the SIBTF.

Protection from Layoff

AB 359 (Employment Protections for Grocery Workers Upon Change in Control)

Historically, many grocery workers in California have been represented by unions. With the change in the landscape in the grocery industry, the unions who represent store workers have become concerned about loss of their bargaining representative status. AB 359 (codified as Labor Code sections 2500, *et seq.*), supported by unions, helps insure that a buyer of a grocery store or chain is a legal successor who must remain unionized. The new law provides that, upon a change in control of a grocery establishment, the incumbent grocery employer must prepare a list of "eligible" grocery workers for the new grocer. The list must include all employees who worked for the grocer for at least six months who were not managerial, supervisory, or confidential employees. For a period of 90 days



after the grocery establishment is open, the new grocer must hire from the preferential list provided by the former employer. Further, the hiring company must retain the workers hired from the former employer's list for 90 days, cannot discharge any of those workers without "cause" during the 90-day period, and at the end of that period, must prepare a written performance review for each of the workers and "consider offering" continued employment to all who have been rated satisfactory or better. Not surprisingly, AB 359 allows an employer to avoid the requirements of the law by entering a collective bargaining agreement with a union that provides different terms and conditions.

Wage Garnishment

SB 501 (Wage Garnishment Limitations)

Under the Wage Garnishment Law, a judgment creditor can seek garnishment of a judgment debtor's wages to satisfy a court judgment. The more an employee earns, the more that can be garnished. Thus, there is a disincentive for a worker facing a garnishment to earn more than the local minimum wage. SB 501 attempts to eliminate this disincentive by reducing the maximum amount of disposable earnings subject to wage garnishment to the lesser of either 25% of the individual's disposable earnings for that week or 50% of the amount by which the individual's disposable earnings for that week exceed 40 times the state minimum hourly wage. This new law does not take effect until July 1, 2016.

Unemployment Insurance Payments and Reporting

AB 1245 (Electronic Premium Payments and Reporting)

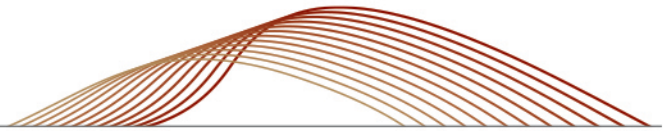
The Unemployment Insurance Code requires an employer to file a report of contributions, a quarterly return, a report of wages paid, and an annual reconciliation return with the Director of the Employment Development Department ("EDD"), and to make contributions for unemployment insurance premiums. The Unemployment Insurance Code currently authorizes hard copy filing and remittance of the required reports and payments, which the majority of California employers continue to utilize despite the availability of online payment and reporting capabilities through the EDD's e-Services for Business website since early 2011. AB 1245 requires electronic filing of the reports and payments for employers with 10 or more employees starting on January 1, 2017, and for all employers starting on January 1, 2018. The new law provides for the imposition of a $50 penalty for failing to file the reports or remit payments electronically without good cause.

Court Case Procedures

SB 470 and AB 1141 (Summary Judgment Evidentiary Objections and Summary Adjudication of Issues Motions)

Section 437c of the Civil Procedure Code requires a court to consider all of the evidence submitted in support of a summary judgment motion, except evidence to which objections have been made and sustained by the court. In addition, this law provides that any evidentiary objections not properly made at the hearing on the motion are deemed waived.

In *Reid v. Google, Inc.*, 50 Cal. 4th 512 (2010), the California Supreme Court observed that while the summary judgment statute requires that the trial court consider all evidence unless an objection to it has been raised and sustained, "the subdivision does not mandate that, in the absence of express rulings, the underlying objections are waived on appeal." *Id.* at 526-27. The Court held: "[I]f the trial court fails to rule expressly on specific evidentiary objections, it is presumed that the objections have



been overruled, the trial court considered the evidence in ruling on the merits of the summary judgment motion, and the objections are preserved on appeal." *Id*. at 527.

Noting that evidentiary objections in summary judgment proceedings "have become one of the most time-consuming pretrial matters that civil courts handle, as parties on both sides flood the courts with evidentiary objections," SB 470 codifies two important rulings from the *Google* decision. First, that a court is only required to rule on objections to evidence that it deems material to the actual summary judgment or summary adjudication motion that is before the court. Second, that any evidentiary objection not ruled on by the court when granting or denying a motion for summary judgment or summary adjudication is preserved for appellate review.

AB 1141, which contains language also included in SB 470 but controls by being later enacted, creates a procedure for filing a motion for summary adjudication of issues (partial summary judgment) to facilitate resolution of a case. Under the new law, before filing a motion for summary adjudication, the moving party must file with the court (1) a joint stipulation stating the issue or issues to be adjudicated; and (2) a declaration from each stipulating party that the motion will further the interest of judicial economy by decreasing trial time or significantly increasing the likelihood of settlement. The moving party must then serve the joint stipulation on any party to the action who is not also a party to the motion.

Within 15 days of receipt of the stipulation and declarations, the court will notify the stipulating parties as to whether the motion may be filed. If the court elects not to allow the filing of the motion, the stipulating parties may request, and upon request the court will conduct, an informal conference with the stipulating parties to permit further evaluation of the proposed stipulation. If the motion is allowed, the motion must contain a statement in the notice of motion that reads substantially similar to the following: "This motion is made pursuant to subdivision (t) of Section 437c of the Code of Civil Procedure. The parties to this motion stipulate that the court shall hear this motion and that the resolution of this motion will further the interest of judicial economy by decreasing trial time or significantly increasing the likelihood of settlement."

What Should Employers Do?

California-based employers and out-of-state-employers with employees in California should immediately review their policies, procedures and practices to ensure compliance with the new laws.

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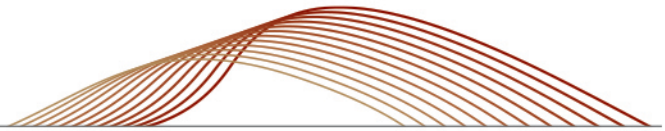

If you have any questions concerning these legislative developments, please do not hesitate to contact the Paul Hastings lawyer with whom you work or any of the following Paul Hastings lawyers:

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