

# CALIFORNIA – 2013 Changes to California's Employment Laws

1/7/2013

Practices: Employment, Labor & Benefits

Employers will need to comply with at least six new laws for their California-based employees beginning in January 2013:

**AB2103:** Salaried non-exempt employees must be paid additional overtime. A non-exempt employee's salary is now considered payment only for regular hours in California. Any overtime worked will require payment of additional overtime wages. For exempt employees, such as those in certain administrative, executive, or professional occupations, no additional overtime will be required.

**AB1396:** Commission-paid employees must now receive a written contract that includes the formula for calculating the commission and a description of the method of payment. The employer must obtain a signed receipt from each commission employee. This law applies regardless of where the employer is located.

**AB1844:** Employers cannot request access to employees' social media passwords. In recent years, some employers had required potential employees to provide social media login information. This practice is now illegal in California. However, employers may be able to require login information from employees in the event of certain disciplinary investigations.

**AB2674:** Employers now have 30 days to provide an employee access to his or her personnel file once the employee has requested it. Employers still must maintain all wage payment information for each employee for 3 years.

**AB1964:** Employers must allow employees to wear religious dress and exhibit religious grooming. While employers may be able to enforce dress codes where they are able to show undue hardship, in most cases, employers will find it difficult to show undue hardship under the new law.

**AB1744:** Employers must include nine items of information on all pay statements issued to employees or else face penalties up to \$4,000 per employee in addition to having to pay the employee's court costs and attorneys' fees in the event of a lawsuit.

The nine items of required information include:

1. Gross wages earned;
2. Total hours worked, except for exempt employees;
3. Number of pieces completed and the applicable piece rate if the employee is paid for piece work;

4. All deductions;
5. Net wages earned;
6. Dates for the payment period;
7. The employee's name and identifying number (last four digits of the employee's social security number or another employer-specific number);
8. The name and address of the employer; and
9. All hourly rates in effect for the pay period and the number of hours the employee worked at each hourly rate.

Employers with questions about California's new employment rules should consult with their Masuda Funai relationship attorney.