

# CALIFORNIA

## California Passes Broad Range of Labor and Employment Laws

In late September 2024, California passed a series of bills that will make several important changes to the state's labor and employment laws. Each of these new laws will take effect on **Jan. 1, 2025**. In general, these laws will:

- Expand protections from discrimination for those with a combination of protected traits and traits associated with race, including hair texture and protective hairstyles;
- Prohibit requiring a driver's license as a condition of employment;
- Prohibit employers from coercing employees to attend meetings or participate in communications regarding the employer's opinion about religious and political matters;
- Impose minimum requirements for freelance contracts;
- Enhance paid family leave benefits and adjust the time frame for filing claims for disability and family leave benefits; and
- Expand sick and safe leave benefits.

### Expanded Discrimination Protections

#### *Additional Protected Characteristics*

California's Fair Employment and Housing Act (FEHA) prohibits employers with **five or more employees** from discriminating against employees based on their protected characteristics (e.g., race, sex, disability, religion and age). California amended the FEHA to:

- [Broaden](#) the definition of "race" to include traits associated with race, including hair texture and protective hairstyles, including braids, locs and twists; and
- [Protect](#) employees from discrimination on the basis of their actual or perceived **combination of protected traits** (i.e., intersectionality).

#### *Driver's License Requirements*

California further [amended](#) the FEHA to prohibit employers with **five or more employees** from requiring job candidates to have a **driver's license** in a job

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### Highlights

#### **Jan. 1, 2025**

California's new employment laws take effect and include:

- Expanded workplace discrimination protections;
- A ban on captive audience meetings;
- Minimum requirements for freelance contracts; and
- Amended disability, sick leave paid family leave benefits.

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advertisement, posting, application or other materials unless it is reasonably believed:

- Driving will be a job function for the position; and
- Satisfying this function using an alternative form of transportation (e.g., rideshare, taxi, carpooling, bicycling, carpooling or walking) would not be comparably efficient or cost-effective for the employer.

### ***Enforcement of Local Laws***

Under an [amendment](#) to the FEHA, the act will **not** prohibit any city, county or other political subdivision of California from enforcing local laws prohibiting employment discrimination if local enforcement:

- Concerns an employment complaint filed with the California Civil Rights Department (CCRD);
- Takes place after the CCRD issued a right-to-sue notice;
- Begins before the expiration of the time to file a civil action; and
- Is pursuant to a local law that is at least as protective as the FEHA.

### **Captive Audience Ban**

California passed the [California Worker Freedom from Employer Intimidation Act](#), which prohibits all employers from discriminating against individuals who refuse to attend an employer-sponsored meeting or decline to participate in, receive or listen to employer communications, in each case the purpose of which is to communicate the employer's views on religious or political matters (including labor organization efforts). However, under the law:

- Employers may communicate information that they are legally required to communicate (including requiring employee trainings to comply with the employer's legal obligations) or that is necessary for employees to perform their job;
- Higher education institutions may communicate information on coursework, symposia or academic programs;
- Public entities may communicate information related to one of its policies or any law or regulation such entity is responsible for administering;
- Religious entities may communicate information regarding relevant religious matters;
- Political organizations may communicate information regarding relevant political matters; and
- Nonprofit, tax-exempt training programs may require a student or instructor to attend classes, complete fieldwork or perform community service hours on relevant political or religious matters.

Employers who violate the law may be subject to civil penalties of \$500 per employee for each violation, as well as injunctive relief and damages.

### **Freelance Worker Protections**

California passed the [Freelance Worker Protection Act](#), which imposes minimum requirements for freelance contracts. The law applies to any person or organization in California (other than the state, federal or foreign governments or individuals hiring services for themselves, their family or their homestead) that retains a freelance worker. "**Freelance workers**" are defined as individuals who are hired or retained as individual contractors to provide professional services in exchange for \$250 or more, by itself or in the aggregate, over the immediately preceding 120 days.

### ***Compensation and Contract Requirements***

Under the act, the hiring party:

- Must pay freelance workers on or before the date compensation is due under their contract or, if not specified, no later than **30 days** after the completion of the worker's services; and

- May not require as a condition of timely payment that the freelance worker accept less compensation than agreed upon in the contract or that the freelance worker provide more goods or services than agreed upon in the contract once the freelance worker has started work under the contract.

The act also requires that all contracts are in writing, that the hiring party provide a signed physical or electronic copy of the written contract to the freelance contract, and that the hiring party retain a copy of the contract for at least **four years**. Written contracts for freelance services must contain the following:

- Name and mailing address of each party;
- Itemized list of services to be provided, the value of such services, and the rate and method of compensation;
- The date compensation will be paid or the mechanism through which the date will be determined; and
- The date by which the freelance worker must provide a list of services rendered to the hiring party to ensure timely payment of compensation.

### ***Other Prohibited Conduct and Enforcement***

Hiring parties may not discriminate against or take any adverse action against a freelance worker to penalize or deter the freelance worker from asserting their rights under the law. An aggrieved freelance worker or public prosecutor may bring a civil action seeking attorney fees and costs, injunctive relief and other damages deemed appropriate.

## **Amendments to Paid Family Leave Laws**

### ***Expanded Benefits***

Under existing California law, within the state disability insurance program, employees are eligible for paid family leave to care for ill family members, bond with a minor child within one year of birth or placement, and to participate in active duty or for the active duty of certain family members. Under existing law, employers may require employees to take up to two weeks of earned but unused vacation before, and as a condition of, the employee's receipt of paid family leave benefits during any 12-month period the employee is eligible for such leave.

Under an [amendment](#), employers will no longer be able to require employees to use such earned but unused vacation benefits prior to receiving paid family leave benefits.

### ***Adjusted Time Frame for Filing Claims and Payment***

California [amended](#) its state disability insurance (SDI) and paid family leave (PFL) laws to adjust the time frames for filing a claim and for payment of SDI and PFL benefits. Existing law requires workers to file a claim by the 41st consecutive compensable day. The amended law will allow workers to file a claim for SDI or PFL benefits up to 30 days in advance of the first compensable day but no later than the 41st consecutive day following the first compensable day.

Additionally, existing law requires the Employment Development Department to issue payment within 14 days of the employee's properly completed disability claim. The amended law requires payment by the later of such date or the first date of eligibility.

## **Amended Sick and Safe Leave Laws**

### ***Expanded Sick Leave Benefits for Agricultural Workers***

The Healthy Workplaces, Healthy Families Act (HWHFA) currently entitles any California employee who works for the same employer for 30 or more days within their first year of employment to paid sick leave for various purposes, including an employee's illness or preventive care. California recently [amended](#) the act to require employers to provide paid sick days to agricultural workers to avoid smoke, heat and flooding conditions created by a local or state emergency.

### *Expanded Sick and Safe Leave Benefits for Domestic Violence Victims*

Currently, the HWHFA requires employers to provide paid safe time leave to employees who are victims of domestic violence, assault, stalking and other crimes. California [amended](#) the HWHFA to expand the circumstances in which an individual qualifies for such leave. Specifically, under the amended law, employees may take leave if their **family member** is a victim of a qualifying act of violence. A “**qualifying act of violence**” is expanded to include an act, conduct or pattern of conduct where a third party causes bodily injury or death, exhibits or uses a firearm or other dangerous weapon, or uses or makes a reasonably perceived or actual threat to use force against another individual to cause physical injury or death (in addition to the existing definition that includes domestic violence, assault and stalking). Moreover, in addition to the existing circumstances in which employees may take paid safe time leave, employees may take safe time leave to do any of the following in relation to a qualifying act of violence:

- Enroll children in a new school or child care;
- Seek, obtain or assist a family member in seeking or obtaining legal services;
- Prepare for, participate in or attend any civil, administrative or criminal legal proceeding; and
- Seek, obtain or provide child care or care to a care-dependent adult if such care is necessary to ensure their safety.

Further, the California Labor Code currently provides unpaid leave protections for victims of domestic violence, sexual assault, stalking or other crimes and for individuals performing jury duty or serving as a witness. Under the amended law, such provisions will move to the FEHA. While the provisions themselves will remain largely unchanged, employers with **25 or more employees** will be able to limit the leave an employee may take as follows:

- **Twelve weeks** for leave for victims of a qualifying act of violence;
- **Five days** for relocation or enrolling a child in a new school or child care facility when the family member was the victim of a nonfatal crime; and
- **Ten days** for leave when an employee’s family member was the victim of a nonfatal crime.

Employers must also inform employees in writing of their rights upon hire, annually, upon the employee’s request and any time an employee informs an employer that the employee or the employee’s family member is a victim. The California Department of Civil Rights will develop a form that employers may use to comply with such notice requirements.