SENATE COMMITTEE ON LABOR, PUBLIC EMPLOYMENT AND RETIREMENT
Senator Lola Smallwood-Cuevas, Chair
2025 - 2026 Regular

Bill No:	AB 374	**Hearing Date:**	June 11, 2025
Author:	Nguyen		
Version:	April 9, 2025		
Urgency:	No	**Fiscal:**	No
Consultant:	Glenn Miles		

SUBJECT: K–14 classified employees: payment of wages: itemized statements

KEY ISSUE

This bill applies Labor Code provisions that require private sector employers to provide accurate, itemized statements of their wages at the time of each payment to their employee, as specified, to public school and California Community College (CCC) employers for their classified school employees.

ANALYSIS

Existing law:

1) Requires a private sector employer, semi-monthly or at the time of payment of wages, to furnish an employee an accurate, itemized, written statement generally containing specified information regarding the amounts earned, hours worked, and the employee's identity, among other information. An itemized wage statement furnished by an employer is not required to show total hours worked by the employee if, among other things, the employee is exempt from the payment of minimum wage and overtime, and provides rights to the inspection and copying of records. (Labor Code §226)

2) Specifies that the provisions of Labor Code §226 do not apply to public employers except to restrict the use of any social security number on a paycheck or stub, if issued, to the social security number's last four. (Labor Code §226(i))

3) Establishes general provisions relating to orders for wage payment and payroll of full-time employees in positions not requiring certification qualification in which they are to be drawn. (Education Code §§42644-42646)

4) Requires school district and CCD governing boards to employ persons not requiring certification qualifications and to classify these employees and positions as the "classified service." (Education Code §§45100 et seq. and 88000 et seq.)

5) Provides for the time of payment of compensation to employees who are part of the classified service in any public school system. (Education Code §45166)

6) Sets forth the obligations of an appointing authority in the event of an error made to calculate or report payroll or payment of salary to a classified employee. (Education Code §§45167)

This bill:

1) Declares the Legislature's intent to provide classified public school employees and classified community college district school employees with the same information guaranteed to private sector employees on their paychecks.

2) Requires a public school employer, including a community college district (CCD) at the time of wage payment, to provide a classified school employee an accurate itemized statement showing all of the following:

    a. Gross wages earned;
    b. Total hours worked by the employee unless the employee is 1) salaried only and exempt from overtime or 2) exempt from minimum wage and overtime, as specified;
    c. All deductions (provided that all deductions made on written orders of the employee may be aggregated and shown as one item);
    d. Net wages earned;
    e. Inclusive dates of the period for which the employee is paid;
    f. The employee's name and last four digits of their social security number or employee identification number;
    g. The name and address of the employer;
    h. All applicable hourly rates in effect during the pay period and corresponding number of hours worked at each hourly rate; and,
    i. The total number of hours of paid and unpaid leave taken during the pay period and applicable hourly rates for any paid leave taken.

3) Requires the employer to record the deductions made from the payment of wages in ink or other indelible form, properly dated, showing the month, day, and year.

4) Requires the employer to keep a copy of the statement and the record of the deductions on file for at least three years at their location or a central location within the state.

5) Requires the employer to provide the itemized statement in at least one of the following formats:

    a. As a detachable part of the check;
    b. As a printed statement issued concurrently with direct deposit, provided it is readily accessible to a classified school employee; and,
    c. As a digital statement made available through a secure employee portal that allows a classified school employee to view, download, and print current and past wage statements at no cost to the employee, provided it is readily accessible to the employee.

6) Affords current or former classified school employees the right to inspect or receive a copy of their employment records upon reasonable request and permits the employer to take reasonable steps to ensure the identity of the current or former classified school employee.

7) Authorizes the employer to charge the employee for the actual cost of records reproduction.

8) Requires the employer to comply with the request as soon as practicable, but not later than 21 calendar days from the request date.

9) Provides that impossibility of performance is an affirmative defense for the employer if the employer does not cause the impossibility or the impossibility is not a result of the employer's unlawful actions.

10) Authorizes the employer to designate the person to whom the employee must make the request for their employee records.

11) Defines "Classified school employee" for K-12 school employers, to mean a person employed on full- or part-time basis as a classified employee at a public school employer.

12) Defines "Public school employer" to mean the governing board of a school district; a school district; county board of education; county superintendent of schools; a public charter school, as specified; a CCC auxiliary organization, as specified; or a joint powers authority (JPA), as specified.

13) Defines "Classified school employee" for CCC employers to mean a person employed by a CCC district for a non-academic position.

COMMENTS

1. Background

School employer payroll systems deal with significantly different aspects of working conditions regulated under the Education and Government Code than private sector employers regulated under the Labor Code. Additionally, changes in state and federal support and regulation significantly affect public school employers' ability to acquire and implement the latest payroll innovations or contract for private payroll services whose economies of scale help mitigate private employers' costs associated with complying with Labor Code requirements.

Hours defining full-time employment, policies determining leave accumulation, tracking of deferred compensation and other post-employment benefits, employees' mixed employment among multiple school employers, and other negotiable qualifying factors for compensation and benefits create a complicated compensation structure in the public school employment sector for which specific payroll rules and practices have developed. These practices also reflect policies that seek to minimize administrative outlays and maximize school resources for support of classroom activities.

School employers raise reasonable concerns that the bill's proposed requirements will increase costs without necessarily providing employees the payroll clarity the bill's supporters seek. They raise the following concerns:

- The inability to accurately report leave time taken in the time between payroll reporting period deadline and the paycheck issuance deadline.
- The difficulty tracking and reporting pay and leave time across multiple school employers.
- The inapplicability of the Labor Code's exemption for salaried employee who are exempt from overtime since many school employees who are salaried are not exempt from overtime requirements and do receive overtime.

- The apparent requirement to convert special compensation categories into hourly rates (e.g., longevity pay) that upon conversion will present as rates significantly less than minimum wage requirements, creating greater employee confusion regarding payroll information.

On the other hand, school employee representatives present multiple examples of egregious pay disputes or inability for employees to obtain clear payroll information reflecting their earnings and leave balances. This bill clearly seeks to address those issues. The parties have communicated to the committee that they are negotiating potential amendments to address the school employers' concerns. Those negotiations are ongoing at this time.

2. Need for this bill?

According to the author:

"The over 250,000 classified employees represented by CSEA have been denied basic rights around transparency in their wages. There is no consistent standard about what information must be provided on our members' pay stubs, which creates a meaningful inequity between public and private sector employees.

In material terms, it makes it unnecessarily difficult for classified employees to determine if they have been paid appropriately for holidays, out of class work, paid leaves, and even overtime. Even when this information is requested by the member, or the exclusive representative, Districts are often slow and inaccurate in the information that they provide. This has resulted in multiple pay discrepancy cases pursued by CSEA to drag out for years longer than necessary.

This bill would empower individual employees and their unions to better track employee pay, including CalPERS's contributions, so that issues can be addressed in a timely manner."

2. Proponent Arguments

According to the California School Employees' Association:

"Labor Code 226 requires private employers to provide their employees with an accurate itemized statement on their paystub including: gross wages earned, total hours worked, all deductions, net wages earned and inclusive dates for which the employee was paid. There is no such standard for classified employees. This glaring inequity means the amount of information classified employees receive on their paystub varies greatly from district to district. Additionally, this lack of information makes it unnecessarily difficult for classified employees to determine if they have been paid appropriately for holidays, out of class work, paid leave or overtime."

3. Opponent Arguments:

According to the California Association of School Business Officials (CASBO):

"Many of the details required by AB 374 are already in the pay stubs. However, the challenge stems from being able to provide accurate leave usage, which often cannot be

reflected in real-time. Currently, leave balances are shown on the pay stub, but the actual usage of leave within the same month typically lags by at least one pay cycle, depending on the district's systems and processes. This is due to system limitations and variations in payroll software.

For districts whose systems don't have integrated leave-tracking capabilities, compliance could require significant programming costs or labor-intensive manual entry, which would be both inefficient and expensive.

Additionally, the bill's requirement to provide employee records within 21 days upon request, while reasonable for recent payrolls, poses logistical challenges for older records."

4. Dual Referral:

The Senate Rules Committee referred this bill to the Senate Labor, Public Employment and Retirement Committee and the Senate Appropriations Committee.

5. Prior Legislation:

SB 913 (Hertzberg, Chapter 920, Statutes of 2022) required, inter alia, school district governing boards to transmit a classified employee's union dues to the employee's authorized union within 15 days of issuing the paycheck containing the deduction to the employee, provided that the provision does not limit the union's right to sue the employer for failure to transmit the dues, as specified, and prohibited the state board from waiving compliance with this provision.

SB 866 (Committee on Budget and Fiscal Review, Chapter 53, Statutes of 2018) provided, inter alia, that a certified or recognized employee organization that certifies that it has and will maintain individual employee authorizations shall not be required to submit to the governing board of a public school employer a copy of the employee's written authorization in order for the payroll deductions described in this section to be effective, unless a dispute arises about the existence or terms of the written authorization. The employee organization shall indemnify the public school employer for any claims made by the employee for deductions made in reliance on its notification.

SUPPORT

California Federation of Teachers (Co-sponsor)
California School Employees Association (Co-Sponsor)
American Federation of State, County and Municipal Employees
California Federation of Labor Unions
California State Safety and Legislative Board of Sheet Metal, Air, Rail, and Transportation – Transportation Division
California Teachers Association
California Teamsters Public Affairs Council
Service Employees International Union, California

OPPOSITION

Association of California School Administrators

California Association of School Business Officials
Community College League of California

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SENATE COMMITTEE ON LABOR, PUBLIC EMPLOYMENT AND RETIREMENT
Senator Lola Smallwood-Cuevas, Chair
2025 - 2026 Regular

Bill No:	AB 1125	**Hearing Date:**	June 11, 2025
Author:	Nguyen		
Version:	April 21, 2025		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Jazmin Marroquin		

SUBJECT: Workers' compensation: peace officers

KEY ISSUE

This bill expands an existing rebuttable presumption that heart trouble is an occupational injury to any peace officer employed by the Department of State Hospitals, as defined, instead of only security officers at Atascadero State Hospital.

ANALYSIS

Existing law:

1) Establishes a comprehensive system of workers' compensation that provides a range of benefits for an employee who suffers from an injury or illness that arises out of and in the course of employment, regardless of fault. This system requires all employers to insure payment of benefits by either securing the consent of the Department of Industrial Relations (DIR) to self-insure or by obtaining insurance from a company authorized by the state. (Labor Code §§3200-6002)

2) Creates a series of rebuttable presumptions of an occupational injury for peace and safety officers for the purpose of the workers' compensation system. These presumptions include: heart disease, hernias, pneumonia, cancer, tuberculosis, blood-borne infectious disease or methicillin-resistant Staphylococcus aureus skin infection (MRSA), bio-chemical illness, and meningitis. The compensation awarded for these injuries must include full hospital, surgical, medical treatment, disability indemnity, and death benefits, as provided by workers' compensation law. (Labor Code §§3212-3213.2)

3) Specifically establishes that, in the case of officers and employees in the Department of Corrections having custodial duties, each officer and employee in the Department of Youth Authority having group supervisory duties, and each security officer employed at the Atascadero State Hospital, heart trouble that develops or manifests during the period of employment is presumed to arise out of that employment. The presumption is available for three calendar months for each full year of service, not to exceed 60 months, from the last date worked in the position. (Labor Code §3212.2)

4) Establishes the Department of State Hospitals (DSH) within the California Health and Human Services Agency. (Welfare and Institutions Code §4000)

    a. Specifies DSH has jurisdiction over the execution of the laws relating to care and treatment of persons with mental health disorders under the custody of DSH. (Welfare and Institutions Code §4011)

5) Defines "state hospital" to mean any of the following hospitals, under the jurisdiction of DSH:

   a. Atascadero State Hospital
   b. Coaling State Hospital
   c. Metropolitan State Hospital
   d. Napa State Hospital
   e. Patton State Hospital
   f. The Admission, Evaluation, and Stabilization (AES) Center in the County of Kern, and other AES Centers as defined by regulation, as specified.
   g. A county jail treatment facility under contract with DSH to provide competency restoration services.
   h. A facility under contract with DSH, as specified, excluding community-based restoration of competency services that are operated by the county.
   i. Any other DSH facility subject to available funding by the Legislature. (Welfare and Institutions Code §4100)

6) Specifies that the chief of police is responsible for preserving the peace in the hospital buildings and grounds, and authorizes the chief of police services to arrest or cause the arrest of all persons who attempt to commit or have committed a public offense. (Welfare and Institutions §4311)

   a. Provides the chief of police services, supervising investigators, investigators, and each hospital police officer with specified powers and authority, and specifies they will enforce the rules and regulations of the hospital, preserve peace and order on the premises, protect and preserve the property of the state, and help ensure integration of treatment, safety, and security. (Welfare and Institutions Code §4313)

7) Provides that officers of a state hospital under the jurisdiction of DSH, are peace officers, as specified. (Penal Code §830.38)

This bill:

1) Expands an existing rebuttable presumption that heart trouble is an occupational injury for security officers at Atascadero State Hospital to include any peace officer employed by the Department of State Hospitals, as defined.

2) Eliminates obsolete reference to the California Youth Authority, which was renamed to the California Division of Juvenile Justice (DJJ), until its closure in 2023.

3) Makes conforming, non-substantive changes.

COMMENTS

1. Background:

Workers' Compensation Presumptions
Under the California workers' compensation system, if a worker is injured on a job, the employer must pay for the worker's medical treatment, and provide monetary benefits if the

injury is permanent. In return for receiving free medical treatment, the worker surrenders the right to sue the employer for monetary damages in civil court. This simple premise is sometimes referred to as the "grand bargain."

The Legislature has created disputable or rebuttable presumptions within the workers' compensation system, which shifts the burden of proof in an injury claim from the employee to the employer. If an injury is covered by a presumption, the employer carries the burden to prove the injury is not related to work. Presumptions reflect unique circumstances where injuries or illnesses appear to logically be work-related, but it is difficult for the injured worker to prove them as such. For certain occupations, such as firefighters and peace officers, where workers can be exposed to more types of injuries than in other occupations, the law presumes certain injuries and illnesses (i.e. heart disease, hernias, pneumonia, cancer, post-traumatic stress disorder injuries, tuberculosis, blood-borne infectious diseases, bio-chemical illness, and meningitis) are occupational injuries for purposes of workers' compensation coverage.

State Hospitals

DSH operates and oversees five state hospitals – Atascadero, Coalinga, Metropolitan (in Los Angeles County), Napa, and Patton – that provide mental health services to patients admitted into DSH facilities. As of fiscal year 2021-22, DSH served more than 12,000 patients through its hospital system, conditional release and other communicated-based programs, and jail treatment programs and employed nearly 13,000 staff.

According to DSH, their patient population includes patients mandated for treatment by a criminal or civil court judge. In fact, more than 90 percent of DSH patients are forensic commitments (i.e. patients incompetent to stand trial, offenders with mental health disorders, mentally ill prisoners transferred from prison, and those found not guilty by reason of insanity). These patients are sent to DSH through the criminal court system and have committed or have been accused of committing crimes linked to a mental illness. In addition to forensic commitments, DSH treats patients who have been classified by a judge or jury as Sexually Violent Predators. These patients have served prison sentences for committing crimes enumerated under the Sexually Violent Predator Act (Welfare and Inst. Code Sections 6600 et. al.) and are committed to DSH for treatment until a judge deems they are no longer a threat to the community. The remainder of DSH's population have been committed in civil court for being a danger to themselves or others. These patients are commonly referred to as Lanterman-Petris-Short commitments.

Atascadero State Hospital and DSH Police Force

Atascadero State Hospital is a secure forensic hospital, open since 1954, and located on the Central Coast of California in San Luis Obispo County. The majority of the all-male patient population is remanded for treatment by county superior courts or by the Department of Corrections and Rehabilitation (CDCR), and the hospital does not accept voluntary admissions. Atascadero State Hospital has historically served the largest patient population, and has the largest criminal population of all the state hospitals. However, all five state hospitals are considered high-security and have patient populations generally assumed to present a higher risk of violence to staff, other patients, or themselves.

According to the author and sponsors, the California Correctional Supervisors Organization, Atascadero State Hospital was the first state hospital to employ its own security officers, but

the other four state hospitals have since employed security officers for the protection of patients, workers, and the public:

> "When California Labor Code section 3212.2 was enacted in 1976, it did not include peace officers of the California Department of State Hospitals (DSH) because the Police Force for DSH did not exist at that time. Rather, they were designated as 'security officers employed at Atascadero State Hospital.'
>
> Since that time, the DSH Police Officers have evolved from covering one state hospital to covering all state hospitals and have grown to approximately seven hundred officers who provide public safety service, and security to patients, employees, and the general public in and around each hospital."

As mentioned, all five state hospitals now include the DSH police force, a 24-hour law enforcement agency, granted with the full authority to enforce relevant laws, make arrests, and issue citations. The author and sponsors further state:

> "In addition, DSH Police Officers are now covered by Penal Code Section 832 which requires basic Peace Officer training to hold the position. This makes the Police Force for the DSH a fully functioning police force with academy standards and qualifications equal to all other California law enforcement officers. The same issues impact these police officers as all other law enforcement listed in this labor code."

Day-to-day responsibilities and training for officers of the DSH police force do not differ considerably from other peace officers who are granted the occupational injury presumption for heart trouble during their course of employment. This is likely why this presumption was extended to officers employed at the Atascadero State Hospital. This bill, AB 1125, would expand the heart trouble workers' compensation presumption currently afforded to officers at the Atascadero State Hospital to the officers working at all the other four state hospitals as well.

This bill proposes to recognize the similar work conditions and experiences between peace offices that have an existing workers' compensation presumption for heart trouble, including the current peace officers that work at Atascadero State hospital, and peace officers that work at other state hospitals. As the Assembly Insurance Committee analysis points out, "[b]y expanding the existing presumption for heart trouble in security officers working at Atascadero State hospital to apply to peace officers at all state hospitals, the bill would avoid the present two-tiered system that differentiates the worker's compensation claims process for those developing heart trouble at Atascadero State Hospital, and those working at other state hospitals with similar functions, populations, and responsibilities."

2. Need for this bill?

According to the author:

"AB 1125 proposes an update to Labor Code Section 3212.2 to explicitly include peace officers of the California Department of State Hospitals in the list of law enforcement officers to whom Labor Code 3212.2 applies. This would ensure that all peace officers employed by any one of the five California Department of State Hospitals have access to workers' compensation for heart-related medical expenses arising from their employment."

3. Proponent Arguments:

According to the sponsors, the California Correctional Supervisors Organization:

"In 1976, California enacted legislation recognizing heart conditions experienced by security guards' staff at Atascadero State Hospital as work-related injuries if they occurred during employment or within three months after leaving the job. This classification established that heart trouble developing or manifesting while employed as a security guard at the Atascadero State Hospital is presumed to arise out of and in the course of that employment for the purpose of awarding workers' compensation benefits. When this Labor Code section was enacted, it did not include peace officers of the California Department of State Hospitals (DSH) because the DHS Police Force did not exist at that time. Rather, they were designated as "security officers employed at Atascadero State Hospital. Since that time, the DSH Security Officers have evolved from covering one state hospital to covering all state hospitals and have grown to approximately seven hundred officers who provide public safety service to patients, employees, and the public in and around each hospital. In addition, DSH Security Officers have been reclassified as peace officers covered by Penal Code Section 832 which requires basic peace officer training to hold the position. This makes the DHS Police Force a fully functioning police force with academy standards and qualifications equal to all other California law enforcement officers. The same issues impact these police officers as all other law enforcement listed in this labor code."

4. Opponent Arguments:

None received.

5. Prior Legislation:

AB 1156 (Bonta, 2023) would have established workers' compensation rebuttable presumptions that specified diagnoses are occupational for a hospital employee who provides direct patient care in an acute care hospital. These diagnoses included infectious diseases, cancer, musculoskeletal injuries, post-traumatic stress disorder, and respiratory diseases. The bill would also have included the 2019 novel coronavirus disease (COVID-19) from SARS-CoV-2 and its variants, among other conditions, in the definitions of infectious and respiratory diseases. The bill would have further extended these presumptions for specified time periods after the hospital employee's termination of employment. *This bill was held in the Assembly Committee on Insurance.*

AB 597 (Rodriguez, 2023) would have, for injuries occurring on or after January 1, 2025, created a rebuttable presumption for emergency medical technicians and paramedics that PTSI is an occupational injury and covered under workers' compensation. *This bill was held in the Assembly Committee on Insurance.*

AB 699 (Weber, 2023, Vetoed) would have extended rebuttable presumptions for hernia, pneumonia, heart trouble, cancer, tuberculosis, blood-borne infectious disease, methicillin-resistant Staphylococcus aureus skin infection, and meningitis-related illnesses and injuries to a lifeguard employed on a year-round, full-time basis in the Boating Safety Unit by the City of San Diego Fire-Rescue Department, as specified. It would also have expanded the presumptions for post-traumatic stress disorder or exposure to biochemical substances, as

defined, to a lifeguard employed in the Boating Safety Unit by the City of San Diego Fire-Rescue Department. *This bill was vetoed.*

AB 1145 (Maienschein, 2023, Vetoed) would have provided, until January 1, 2030, that for specified state nurses, psychiatric technicians, and various medical and social services specialists, the term "injury" also included post-traumatic stress that develops or manifests itself during a period in which the injured person is in the service of the department or unit. The bill would have applied to injuries occurring on or after January 1, 2024. The bill would have prohibited compensation from being paid for a claim of injury unless the member performed services for the department or unit for at least 6 months, unless the injury is caused by a sudden and extraordinary employment condition. *This bill was vetoed.*

SB 623 (Laird, Chapter 621, Statutes of 2023) extended the sunset until January 1, 2029 for a rebuttable presumption that a diagnosis of post-traumatic stress disorder injuries for specified peace officers and firefighters is an occupational injury, and required the Commission on Health and Safety and Workers' Compensation to submit both reports to the Legislature analyzing the effectiveness of the presumption and a review of claims filed by specified types of employees not included in the presumption, such as public safety dispatchers, as defined.

SB 416 (Hueso, 2019) would have expanded the presumption that certain defined injuries and illnesses are occupational injuries and therefore covered by workers' compensation for all peace officers, as specified. *This bill was held at the Assembly Desk.*

AB 2269 (Adams, 2010) would have expanded the workers' compensation presumption for peace officers working at Department of Developmental Services Developmental Centers (DC) and Department of Mental Health (DMH) psychiatric hospitals. Specifically, this bill would have extended a cardiac presumption available to officers at Atascadero DC to peace officers at the following facilities: a) Coalinga State Hospital, b) Metropolitan State Hospital, c) Napa State Hospital, d) Patton State Hospital, e) Porterville Developmental Center, f) Lanterman Developmental Center, g) Sonoma Developmental Center, h) Fairview Developmental Center, and i) Canyon Springs Community Facility. *This bill was held in the Assembly Committee on Appropriations.*

SUPPORT

California Correctional Supervisors Organization (Sponsor)

OPPOSITION

None received.

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SENATE COMMITTEE ON LABOR, PUBLIC EMPLOYMENT AND RETIREMENT
Senator Lola Smallwood-Cuevas, Chair
2025 - 2026 Regular

Bill No:	AB 596	**Hearing Date:**	June 11, 2025
Author:	McKinnor		
Version:	March 10, 2025		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Alma Perez-Schwab		

SUBJECT: Occupational safety: face coverings

KEY ISSUE

This bill prohibits an employer from preventing any employee from wearing a face covering, including a respirator, unless it would create a safety hazard.

ANALYSIS

Existing law:

1) The California Occupational Safety and Health Act, assures safe and healthful working conditions for all California workers by authorizing the enforcement of effective standards, assisting and encouraging employers to maintain safe and healthful working conditions, and by providing for research, information, education, training, and enforcement in the field of occupational safety and health. (Labor Code §6300-6413.5)

2) Establishes the Division of Occupational Safety and Health (known as Cal/OSHA) within the Department of Industrial Relations (DIR) to, among other things, propose, administer, and enforce occupational safety and health standards. (Labor Code §6300 et seq.)

3) Establishes the Occupational Safety and Health Standards Board, within DIR, to promote, adopt, and maintain reasonable and enforceable standards that will ensure a safe and healthful workplace for workers. (Labor Code §140-147.6)

4) Requires employers to establish, implement and maintain an effective Injury and Illness Prevention Program (IIPP) that must include, among other things, a system for identifying and evaluating workplace hazards, including scheduled periodic inspections to identify unsafe conditions and work practices and the employer's methods and procedures for correcting those unsafe or unhealthy conditions and work practices in a timely manner. The IIPP must also include the employer's system for communicating with employees on occupational health and safety matters. (Labor Code §6401.7)

5) Until February 3, 2025, established a Temporary Emergency Standard for COVID-19 Prevention in the workplace, which, among other things, included requirements for the use of face coverings consistent with recommendations from the California Department of Public Health. (CCR Title 8, §3205)

This bill:

1) For purposes of these provisions, defines the following terms:

a. "Face covering" means a surgical mask, a medical procedure mask, a respirator worn voluntarily, or a tightly woven fabric or nonwoven material of at least two layers that completely covers the nose and mouth and is secured to the head with ties, ear loops, or elastic bands that go behind the head. If gaiters are worn, they shall have two layers of fabric or be folded to make two layers. A face covering is a solid piece of material without slits, visible holes, or punctures that fits snugly over the nose, mouth, and chin with no large gaps on the outside of the face.

   i. "Face covering" includes clear face coverings or cloth face coverings with a clear plastic panel that otherwise meet this definition and which may be used to facilitate communication with people who are deaf or hard of hearing or others who need to see a speaker's mouth or facial expressions to understand speech or sign language respectively.
   ii. "Face covering" does not include a scarf, ski mask, balaclava, bandana, turtleneck, collar, or single layer of fabric.

b. "Respirator" means a respiratory protection device approved by the National Institute for Occupational Safety and Health to protect the wearer from particulate matter, including, but not limited to, an N95 filtering facepiece respirator.

2) Prohibits an employer from preventing any employee from wearing a face covering, including a respirator, unless it would create a safety hazard.

3) Provides that this prohibition does not limit more protective or stringent local health department orders or guidance.

COMMENTS

1. Background:

COVID-19 Prevention Temporary Standards:
In response to the COVID-19 pandemic, California adopted a COVID-19 prevention standard (CCR Title 8, Section 3205) that applied to all employers, employees, and places of employment, with some exceptions. The standard directed employers on measures to prevent COVID-19 transmission and to identify and correct hazards, including by testing employees and providing notices on cases found. Among other elements, the standard included employer requirements to provide face coverings and ensure they are worn by employees when required by a California Department of Public Health regulation or order. Additionally, the standard *included a prohibition on employers preventing employees from wearing face coverings, including a respirator, when not required by the standard, unless it would create a safety hazard*.[1]

Regarding face coverings requirements, the standard provided the following exceptions:

- When an employee is alone in a room or vehicle.
- While eating or drinking at the workplace, as specified.
- While employees are wearing respirators required by the employer, as specified.

[1] CCR Title 8, Section 3205 (f). https://www.dir.ca.gov/title8/3205.html

- Employees who cannot wear face coverings due to a medical or mental health condition or disability, or who are hearing-impaired or communicating with a hearing-impaired person, as specified.
- During specific tasks which cannot feasibly be performed with a face covering. This exception is limited to the time period in which such tasks are actually being performed.

With the exception of certain COVID-19 reporting and recordkeeping requirements, the emergency standard and related provisions sunsetted on February 3, 2025. *This bill proposes to codify the element of the standard that prohibits employers from preventing any employee from wearing a face covering, including a respirator, unless it would create a safety hazard.* Staff notes, however, that this bill does not include the exceptions for mask usage found in the standard.

Benefits of Using Face Coverings:
Even though the COVID-19 virus is more under control and the standard has sunsetted, the virus is not exactly behind us. A new COVID variant is currently spreading across California with experts warning of a summer surge. The benefits of mask wearing to help prevent the spread of this and other viruses is well documented. The California Department of Public Health (CDPH) and the Federal Centers for Disease Control and Prevention (CDC) continue to promote mask wearing as an effective strategy in the prevention of respiratory viruses. Mask wearing can help prevent the transmission of common respiratory viruses such as COVID-19, influenza, and respiratory syncytial virus (RSV).[2] CDPH additionally promotes the use of masks for the protection against harmful environmental exposures including from wildfire smoke and infection with Valley Fever.[3]

According to the CDC, "wearing a mask can help lower the risk of respiratory virus transmission. When worn by a person with an infection, masks reduce the spread of the virus to others. Masks can also protect wearers from breathing in infectious particles from people around them. Different masks offer different levels of protection. Wearing the most protective one you can comfortably wear for extended periods of time that fits well (completely covering the nose and the mouth) is the most effective option."[4]

2. Staff Comment:

As noted above, the now sunsetted COVID-19 Prevention regulations included several exceptions to the requirement of face covering use for specified circumstances where 1) an employee worked alone, 2) while eating or drinking, 3) while wearing respirators, 4) for employees unable to wear face coverings due to a medical or mental health condition or disability, or 5) during specific tasks which could not feasibly be performed with a face covering. This bill does not require the use of face coverings, but rather prohibits an employer from preventing any employee from wearing a face covering if they choose, unless it would create a safety hazard.

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[2] See https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Respiratory-Viruses/When-and-Why-to-Wear-a-Mask.aspx
[3] See https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/Respiratory-Viruses/When-and-Why-to-Wear-a-Mask.aspx, and https://www.cdc.gov/respiratory-viruses/prevention/masks.html
[4] https://www.cdc.gov/respiratory-viruses/prevention/masks.html

As originally introduced, this bill included some exceptions to the face covering prohibition, which captured some elements found in the standard, including in work environments with only one employee. These exceptions were amended out of the bill on March 10, 2025.

Considering the unique nature of certain occupations and individuals' needs, the author may wish to consider the need for some flexibility as was afforded to employers and employees under the COVID-19 Prevention standard.

3. Need for this bill?

According to the author:

"The COVID-19 Prevention Safety Standard, implemented by Cal/OSHA in November 2020, included critical protections for workers, including the right to wear face coverings at work, even when not required, unless doing so creates a safety hazard…This worker safety standard expired on February 3, 2025. Without action, employers could begin restricting mask use, as has been observed in other states and local jurisdictions. Such restrictions could leave workers vulnerable to health risks and undermine their autonomy in making personal health decisions.

AB 596 will codify the protections in Title 8, Section 3205(f)(4), ensuring that no employer may prevent an employee from wearing a face covering, including a respirator, unless it creates a safety hazard…This measure will ensure that California remains a leader in worker safety and public health, particularly in the face of ongoing and future infectious disease risks."

4. Proponent Arguments:

According to one of the sponsors, the California Federation of Labor Unions:

"As a direct and immediate response to the COVID-19 pandemic, Cal/OSHA approved emergency temporary regulations to help stop the spread of the disease at worksites throughout the state. One of the most critical protections included in those emergency regulations stated that 'No employer shall prevent any employee from wearing a face covering, including a respirator… unless it would create a safety hazard.' This necessary set of regulations helped protect workers who were not already protected by existing regulations that apply only to workplaces at high risk for infectious diseases, such as hospitals, health clinics, and laboratories. So for most workers, these protections were the only ones they had.

The COVID-19 temporary protection safety standard sunset on February 3, 2025, meaning that those workers who had the right to protect themselves at work by wearing a mask to prevent exposure no longer have that right. Since then, some employers have enacted politically motivated rules in their workplaces to prohibit workers from wearing masks on the job to protect themselves. This is especially dangerous for workers who are immunocompromised, or who live with people who are, and must take extra precautions to protect themselves and their family.

Additionally, the fires in Los Angeles have reignited conversations about smoke and air quality, especially for workers who must continue to work in areas in and around the fires. Even after fires are contained, smoke and air pollution linger for much longer, continuing to

endanger workers who must return to serve their communities. Studies have linked smoke inhalation to higher rates of heart attacks, strokes, and cardiac arrests, as well as weakened immune defenses.

AB 596 will codify a section of the now sunset Cal/OSHA COVID-19 temporary protection safety standard to reinstate a worker's right to wear a face covering at work to protect their own personal health and safety. Workers know their bodies best, and protecting their own health and longevity with something as simple as a mask should continue to be an option for workers at every worksite."

As noted by the Orange County Employees Association, co-sponsors of the measure:

"This legislation builds on the foundational public health lessons learned during the COVID-19 pandemic. It empowers workers — especially those who are immunocompromised, medically vulnerable, or caring for high-risk family members — to make personal protective decisions without fear of employer retaliation or prohibition."

5. Opponent Arguments:

The California Chamber of Commerce is opposed to the measure arguing:

"Cal/OSHA included face coverings in its COVID-19 protection regulation, and obligated them to be used in certain circumstances. Notably, even Cal/OSHA included a list of exemptions from these obligations, including: (1) exempting employees who are already required to wear non-compatible headgear; (2) employees who could not wear such a covering due to a mental health or disability issue; and (3) where such masks are not 'feasible' due to the job tasks.

AB 596 would prohibit an employer from preventing an employee from wearing a mask; or, in other words: it ensures that an employee can wear a 'face covering' and that an employer cannot prohibit them from doing so. Notably, AB 596 does not include the "feasibility" exemption, or the disability-based exemption that Cal/OSHA had placed in its regulation.

While we certainly do not oppose any Californians' desire to wear additional respiratory protection where appropriate, we are concerned that certain professions and job tasks are not compatible with such 'face coverings.'

For example: the work of certain types of actors and musicians would be harmed by the wearing of a face covering – but, under this bill, the employee could assert that they must be allowed to wear a face covering when, for example, playing a clarinet. In addition, certain educational settings would be harmed if students cannot observe the mouths of their teachers.

While we know that such circumstances are not the Author's primary concern, we are concerned that AB 596 has no exemptions that would cover such work situations."

6. Prior/Related Legislation:

AB 2693 (Reyes, Chapter 799, Statutes of 2022) 1) extended the sunset date on COVID-19 related workplace reporting requirements and for Cal/OSHA's authority to disable an operation or process at a place of employment when the risk of COVID-19 infection creates an imminent hazard; 2) revised and recast COVID-19 exposure reporting provisions to require employers to display a notice with information on confirmed COVID-19 cases at the worksite; 3) authorized employers to post this information on an employer portal or continue to provide it in writing; and 4) struck requirements in existing law pertaining to the reporting by employers of COVID-19 outbreaks to local public health agencies and the public posting of this information by the State Department of Public Health.

AB 685 (Reyes, Chapter 84, Statutes of 2020) required employers to provide specified notices to employees and others if an employee is exposed to COVID-19, and also provided explicit authority for Cal/OSHA to close work areas and locations and issue citations due to COVID-19 risk in the workplace.

SUPPORT

California Federation of Labor Unions (Co-Sponsor)
Orange County Employees Association (Co-Sponsor)
California Medical Association (CMA)
California Nurses Association
California School Employees Association
California Federation of Teachers - a Union of Educators & Classified Professionals
Church State Council
Consumer Attorneys of California
Courage California
Oakland Privacy

OPPOSITION

California Chamber of Commerce

-- END --

SENATE COMMITTEE ON LABOR, PUBLIC EMPLOYMENT AND RETIREMENT
Senator Lola Smallwood-Cuevas, Chair
2025 - 2026 Regular

Bill No:	AB 751	**Hearing Date:**	June 11, 2025
Author:	Gipson		
Version:	March 26, 2025		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Emma Bruce		

SUBJECT: Rest periods: petroleum facilities: safety-sensitive positions

KEY ISSUE

This bill permanently exempts employees holding safety-sensitive positions at a petroleum facility who are covered by a valid collective bargaining agreement (CBA) from the requirement that that employees be relieved of all duties during rest periods. This bill also applies the exemption to the same positions at other refineries, as defined.

ANALYSIS

Existing law:

1) Creates the Industrial Welfare Commission (IWC), which promulgates industry-specific wage orders that set the wages, hours, and working conditions of employees. The IWC wage orders have the force of regulation and are enforced by Division of Labor Standards Enforcement. (Labor Code §§70, 1173, 1177, 1195 & 1197)

2) Prohibits, with certain exemptions, an employer from employing a worker without providing a meal period as follows:

    a. 30 minutes every 5 hours, except if the total work period is no more than 6 hours, the meal period may be waived by mutual consent.
    b. A second 30 minute meal period if working more than 10 hours a day, except if the work period is no more than 12 hours, the second meal period may be waived by mutual consent, but only if the first was not waived.
    (Labor Code §512)

3) Prohibits an employer from requiring an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the IWC, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health. (Labor Code §226.7(b))

4) Requires an employer who fails to provide an employee a meal or rest or recovery period to pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided. (Labor Code §226.7(c))

5) Provides that every employee must be authorized to take a ten minute break for every 4 hours worked, or significant fraction thereof. (IWC Wage Order 1)

6) Exempts, until January 1, 2026, employees holding safety-sensitive positions at a petroleum facility, to the extent that the employee is required to carry and monitor a communication device and to respond to emergencies, or is required to remain on employer premises to monitor the premises and respond to emergencies, from the requirement that employees be relieved of all duties during rest periods. (Labor Code §226.75(a))

7) Provides that the exemption in 6), above, only applies if the following conditions are satisfied:

   a. The employee is subject to IWC Wage Order No. 1.
   b. The employee is covered by a valid CBA.
   c. The valid CBA expressly provides for the wages, hours of work, and working conditions of employees, and expressly provides for rest periods for those employees, final and binding arbitration of disputes concerning application of its rest period provisions, premium wage rates for all overtime hours worked, and a regular hourly rate of pay of not less than 30 percent more than the state minimum wage rate.
   (Labor Code §226.75(e-f))

8) Requires the provision of another rest period in the case of an interrupted rest period, as prescribed, and, if circumstances do not allow for the employee to take a rest period, requires the employer to pay the employee one hour of pay at the employee's regular rate of pay for the missed rest period. (Labor Code §226.75(b))

9) Defines "safety-sensitive" position to mean a job in which the employee's job duties reasonably include responding to emergencies at a petroleum facility. (Labor Code §226.75(d)(2))

10) Defines "refinery" as an establishment that produces gasoline, diesel fuel, aviation fuel, or biofuel through the processing of crude oil or alternative feedstock. (Labor Code §7853(c))

This bill:

1) Removes the January 1, 2026 sunset date for the above-described exemption, thus making it permanent.

2) Provides that the exemption also applies to employees holding safety-sensitive positions at "other refineries," as specified.

3) Defines "other refineries" as an establishment that produces fuel through the processing of alternative feedstock as described in subdivision (c) of Labor Code Section 7853.

COMMENTS

1. Background:

In California, most workers receive the following breaks: an uninterrupted 30-minute unpaid meal break when working more than five hours in a day, an additional 30-minute unpaid meal break when working more than twelve hours in a day, and a paid ten-minute rest period for every four hours worked or major fraction thereof. As noted under existing law, an employer is prohibited from requiring an employee to work during a meal or rest or recovery period that is mandated pursuant to statute, or applicable regulation, standard, or order of the

IWC, the Occupational Safety and Health Board, or the Division of Occupational Safety and Health. If an employer fails to provide a required meal or rest or recovery period, the employer must pay the employee *one additional hour of pay* at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

In 2016, the California Supreme Court held in *Augustus v. ABM Security Services, Inc., (2016) 5 Cal.5th 257, 269* that during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time. This includes requiring an employee to maintain radio communication. In response to *Augustus*, the Legislature has approved narrow exemptions from meal and rest period law. These exemptions recognize the unique nature of some occupations and the occasional need for industry specific provisions to facilitate compliance. Employees holding safety-sensitive positions at a petroleum facility, as specified, first received an exemption from the requirement that employees be relieved of all duties during rest periods in AB 2605 (Gipson, Chapter 584, Statutes of 2018). Later, AB 2479 (Gipson, Chapter 349, Statutes of 2020), extended the exemption until January 1, 2026. To qualify, a safety-sensitive employee must 1) be subject to IWC Wage Order No. 1, 2) be covered by a valid CBA, and 3) have a CBA that expressly provides for the wages, hours of work, and working conditions of employees, and expressly provides for rest periods for those employees, final and binding arbitration of disputes concerning application of its rest period provisions, premium wage rates for all overtime hours worked, and a regular hourly rate of pay of not less than 30 percent more than the state minimum wage rate.

AB 751 would remove the January 1, 2026 sunset date for the above-described exemption, thus making it permanent. The bill would also apply the same exemption to employees holding safety-sensitive positions at establishments that produce fuel through the processing of alternative feedstock.

2. Need for this bill?

According to the author:

"This measure provides a specific statutory process for employees in safety sensitive positions to follow during rest breaks, if they are covered by a valid collective bargaining agreement. Specifically, this measure allows safety sensitive position employees to maintain radio communication during rest breaks in order to respond to an emergency, should one occur.

If an employee's rest break is interrupted for emergency purposes, the employer must provide a rest break as soon as the circumstances that caused the interruption has passed. If a subsequent rest break is not provided, the employer must pay the employee one hour, at the employee's regular rate of pay for the missed rest period. The provisions of this bill are only applicable if the employee is covered by a valid collective bargaining agreement."

3. Proponent Arguments:

According to the State Building and Construction Trades Council of California:

"Our skilled and trained members work to keep our in-state refineries operating safely and, in doing so, keep the communities that host these industrial facilities safe. Labor Code Section 226.75 provides a narrow exemption from the requirement that employees must be relieved

of all duties during rest periods only to the extent that the employee holds a safety-sensitive position at a petroleum facility and the employee is required to carry and monitor a communication device, such as a radio, pager, or other form of instant communication, and to respond to emergencies or is required to remain on employer premises to monitor for and respond to emergencies. As our members are committed to ensuring their workplaces and communities are safe, we continue to support the policy behind Labor Code Section 226.75 and, as such, support the deletion of the sunset."

The California Chamber of Commerce and the Western States Petroleum Association also support the bill, arguing:

"AB 751 is essential to the safety culture of the oil and gas industry by requiring exempt employees who are covered by a collective bargaining agreement and hold a safety sensitive position at petroleum and renewable diesel facilities to monitor their radios during rest and recovery period. This law has been in practice since 2018 and was reauthorized by the legislature in 2020.

AB 751 is critical to ensure the safety of employees and the surrounding communities of petroleum facilities."

4. Opponent Arguments:

None received.

5. Prior Legislation:

SB 693 (Cortese, 2025) would exempt water corporation employees covered by a valid collective bargaining agreement, as specified, from the general prohibition on an employer from employing an employee for a work period of more than 5 hours per day without providing the employee with a meal period of not less than 30 minutes. *This measure is pending in the Assembly Labor and Retirement Committee.*

AB 3258 (Bryan, Chapter 978, Statutes of 2024) among other things, expanded the scope of the California Refinery and Chemical Plant Worker Safety Act of 1990 by removing references in existing law to "petroleum" refineries and defining "refinery" as an establishment that produces gasoline, diesel fuel, aviation fuel, or biofuel through the processing of crude oil or alternative feedstock.

SB 41 (Cortese, Chapter 2, Statutes of 2023) provided an exemption from meal and rest period requirements for airline cabin crew employees that are covered by a valid collective bargaining agreement meeting specified conditions.

AB 2479 (Gipson, Chapter 349, Statutes of 2020) extended the sunset on the exemption from rest period requirements for certain employees holding safety-sensitive positions at a petroleum facility and covered by a valid collective bargaining agreement until January 1, 2026, as specified.

AB 2605 (Gipson, Chapter 584, Statutes of 2018) exempted from rest period requirements certain employees holding safety-sensitive positions at a petroleum facility and covered by a valid collective bargaining agreement until January 1, 2021, as specified

SUPPORT

California Chamber of Commerce
State Building and Construction Trades Council of California
United Steelworkers District 12
Western States Petroleum Association

OPPOSITION

None received

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SENATE COMMITTEE ON LABOR, PUBLIC EMPLOYMENT AND RETIREMENT
Senator Lola Smallwood-Cuevas, Chair
2025 - 2026 Regular

Bill No:	AB 1104	**Hearing Date:**	June 11, 2025
Author:	Pellerin		
Version:	May 5, 2025		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Emma Bruce		

SUBJECT: Net energy metering: construction of renewable electrical generation facilities: public works project requirements

KEY ISSUE

This bill specifies that, for the construction of a renewable electrical generation facility and associated battery storage, the entity that engaged the contractor is not an awarding body and only specified public works requirements apply. The bill also authorizes a renewable electrical generation facility to be eligible to receive service pursuant to a standard contract or tariff, regardless of a contractor's willful violation of prevailing wage requirements, if restitution has been made to the affected workers and all associated penalties and fines have been paid.

ANALYSIS

Existing law:

1) Establishes and vests the California Public Utilities Commission (CPUC) with regulatory authority over public utilities, including electrical corporations and gas corporations. (Article XII of the California Constitution)

2) Establishes within the Department of Industrial Relations the Division of Labor Standards Enforcement (DLSE) under the direction of the Labor Commissioner (LC), and empowers the LC to ensure a just day's pay in every work place and to promote justice through robust enforcement of labor laws. (Labor Code §79-107)

3) Defines "public works" to mean construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds, except work done directly by a public utility company pursuant to order of the PUC or other public authority. Public works also includes, among other things, irrigation work, street improvements, and tree trimming. (Labor Code §1720(a))

4) Defines "awarding body" to mean a department, board, authority, officer or agent awarding a contract for public work. (Labor Code §1722)

5) Requires each contractor and subcontractor on a public work to keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the contractor or subcontractor in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, with specified information. (Labor Code §1776(a))

6) Provides that the construction of any renewable electrical generation facility, and any associated battery storage, after December 31, 2023, that receives service pursuant to the standard contract or tariff, as specified, shall constitute a public works project. (Public Utilities Code §769.2(a))

7) Requires a contractor who enters into a contract to perform work on a renewable electrical generation facility or associated battery storage described in 6), above, to do all of the following:

   a. The contractor shall pay each construction worker employed in the execution of the work, at minimum, the general prevailing rate of per diem wages, except that an apprentice registered in a program approved by the Chief of the Division of Apprenticeship Standards shall be paid, at minimum, the applicable apprentice prevailing rate.
   b. The contractor shall maintain and verify payroll records pursuant to recordkeeping provisions of the Labor Code and make those records available for inspection and copying as required by those provisions. The contractor shall not be required to provide copies of certified payroll records to any entity other than the Department of Industrial Relations and the Public Utilities Commission (PUC).
   c. The contractor shall biannually, on July 1 and December 31 of each year, submit to the commission digital copies of its certified payroll records for projects covered by this bill. The PUC shall retain these records as public records for five years.

   (Public Utilities Code §769.2(b))

8) Provides that the requirement in 6), above, may be enforced through the following mechanisms:

   a. Within 18 months after completing the renewable electrical generation facility, by the Labor Commissioner (LC) through the issuance of a civil wage and penalty assessment, as specified, which may be reviewed.
   b. By an underpaid construction worker or apprentice through an administrative complaint or civil action.
   c. By a joint labor-management committee through a civil action.

   (Public Utilities Code §769.2(c))

9) States that if a willful violation of the prevailing wage requirement has been enforced against a contractor for the construction of a renewable electrical generation facility pursuant to 8), above, that facility shall not be eligible to receive service pursuant to a standard contract or tariff developed, as specified. (Public Utilities Code §769.2(d))

10) Provides that mechanics, persons furnishing materials, artisans, and laborers of every class, shall have a lien upon the property upon which they have bestowed labor or furnished material for the value of such labor done and material furnished; and the Legislature shall provide, by law, for the speedy and efficient enforcement of such liens. (Article XIV, Section 3 of the California Constitution)

This bill:

1) Provides that a renewable electrical generation facility shall be eligible to receive service pursuant to a standard contract or tariff, regardless of a contractor's willful violation of

prevailing wage requirements, if restitution has been made to the affected workers and all associated penalties and fines have been paid.

2) Clarifies that for purposes of construction of a renewable electrical generation facility and associated battery storage, the entity that engaged the contractor is not an awarding body, as defined. Public works project requirements not found in Section 769.2 of the Public Utilities Code do not apply to the entity. This does not affect the entity's liability for nonpayment of wages or materials under (Article XIV, Section 3 of the California Constitution.)

COMMENTS

1. Background:

AB 2143 (Carrillo, Chapter 744, Statutes of 2022)

In 2022, the Legislature extended public works requirements to the construction of any renewable electrical generation facility and any associated battery storage after December 31, 2023 (Carrillo, 2022). Contractors who enter into a contract to perform work on projects subject to AB 2143's requirements must 1) pay each construction worker, at minimum, the general prevailing rate of per diem wages, 2) maintain and verify payroll records and make those records available for inspection and copying, as specified, and 3) submit biannually, on July 1 and December 31, to the PUC digital copies of certified payroll records. Unlike other public works projects, AB 2143 only requires contractors to provide certified payroll data to DIR and the PUC. The LC, an underpaid construction worker or apprentice, and joint labor-management committees are authorized to enforce the prevailing wage requirement. Renewable electrical generation facilities built by contractors who willfully violated AB 2143's provisions are not eligible to receive service pursuant to a standard contract or tariff, as specified.

Awarding Bodies

Awarding bodies and contractors working on public works projects are required to abide by a set of laws that ensure public funds are used responsibly. Among other things, these laws require awarding bodies to notify DIR of public works contracts and to ensure all contractors utilized on the project are registered. AB 1104 would clarify that the entity that engaged the contractor for the construction of a renewable electrical generation facility and any associated battery storage is not an awarding body and that public works requirements not found in Section 769.2 of the Public Utilities Code (AB 2143, Carrillo, 2022) do not apply to the entity. While this removes some of the administrative responsibilities associated with public works projects, it preserves the requirements to pay prevailing wages and maintain certified payroll records. AB 1104 also authorizes a renewable electrical generation facility to be eligible to receive service pursuant to a standard contract or tariff, regardless of a contractor's willful violation of prevailing wage requirements, if restitution has been made to the affected workers and all associated penalties and fines have been paid.

2. Need for this bill?

According to the author:

"Under Public Utilities Code Section 769.2, set by AB 2143 (Carillo, 2022), non-residential entities purchasing a renewable energy generation facility that interconnects with California's

electric grid are subject to the full set of public works project requirements. This includes compliance with complex contractor and enforcement requirements that are generally imposed on large public agencies, regardless of the size of the renewable energy project. These requirements place an undue financial and administrative burden on small businesses, discouraging them from pursuing clean energy investments.

AB 1104 clarifies that the entity that engaged with the solar contractor is not an awarding body, removing the need for small businesses to comply with public works contracting and enforcement provisions, as outlined in Section 769.2."

3. Proponent Arguments:

According to the sponsors, Scudder Solar Electrical Energy Systems:

"AB 1104 is narrowly tailored to protect small businesses' access to solar energy while upholding AB 2143's labor standards and protecting the environment. This bill is vital to safeguard small businesses' ability to access and own clean energy sources, which is particularly important during a natural disaster, such as a wildfire, or when the grid is down or unavailable.

As the sponsor of AB 1104, Scudder Solar Electrical Energy Systems believes that this bill offers a critical policy fix to the recent declines in the commercial solar market. It strikes the right balance between supporting small businesses, sustaining clean energy progress, and maintaining our state's labor standards and their enforcement.

We respectfully ask for your support of AB 1104 and thank you for your time, consideration and dedication to the people of California."

4. Opponent Arguments:

None received.

5. Double Referral:

The Senate Rules Committee referred AB 1104 to the Senate Labor, Public Employment and Retirement Committee and the Energy, Utilities and Communications Committee.

6. Prior Legislation:

SB 1148 (Blakespear, 2024) would have authorized the use of master meters for electrical service by exempting: 1) multifamily sites with specified solar and battery storage; and 2) any building owned or operated by a local government, institution of higher education, private school, or religious institution from the state requirement that every residential unit be individually metered for electrical service. The bill would have required multifamily sites seeking the exemption to, among other things, adhere to public works law, as specified. *This bill failed passage in the Senate Energy, Utilities and Communications Committee.*

AB 2143 (Carrillo, Chapter 744, Statutes of 2022) required a contractor who enters into a contract to perform work on the renewable electrical generation facility or associated battery storage to pay each construction worker employed in the execution of the work, at minimum,

the general prevailing rate of per diem wages and each apprentice, at minimum, the applicable apprentice prevailing rate, as specified.

SUPPORT

Scudder Solar Electrical Energy Systems (Sponsor)
180 Solar Power
Aeterna Energy
All Seasons Roofing & Waterproofing, INC.
Allterra Solar
Associated Builders and Contractors Northern California Chapter
Aws Solar
Baker Home Energy
Brighten Solar
California Solar & Storage Association
Capital City Solar
Chico Electric
Cinnamon Energy Systems
Citadel Roofing and Solar
Cleanfi
Collective Sun
Corda Solar
Core Energy
Enphase Energy
Estriatus Law Pc
Excite Energy
Grid Alternatives
Harmony Air
Individual
Kodiak Roofing & Waterproofing Co.
Mr. Roofing
MW Energy
Mynt Systems
Nova West Energy
Pearlx Infrastructure, LLC
Pickett Solar
Sandbar Solar & Electric
Santa Cruz County Chamber of Commerce
Santa Cruz Westside Electric, dba Sandbar Solar
Schneider Electric
Simply Solar
Six Rivers Solar
Solar Energy Builders, INC
Solar Renewable Energy
Solar Rights Alliance
Solar Symphony Construction
Solar Technologies
Solex Applied Solar Energy
Source Solar
SPCA Monterey County

Sun Light & Power
Sungreen Systems
Tenco Solar
Your Solarmate

OPPOSITION

None received

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SENATE COMMITTEE ON LABOR, PUBLIC EMPLOYMENT AND RETIREMENT
Senator Lola Smallwood-Cuevas, Chair
2025 - 2026 Regular

Bill No:	AB 1392	**Hearing Date:**	June 11, 2025
Author:	Flora		
Version:	February 21, 2025		
Urgency:	No	**Fiscal:**	No
Consultant:	Jazmin Marroquin		

SUBJECT: Employment: documents

KEY ISSUE

This bill authorizes, in any instance in which an employer is required to physically post information, an employer to also distribute that information to employees by mail, but provides that distribution by mail does not alter the employer's obligation to physically display the required posting.

ANALYSIS

Existing law:

1) Establishes the Department of Industrial Relations (DIR) in the Labor and Workforce Development Agency (LWDA), and vests it with various powers and duties to foster, promote, and develop the welfare of the wage earners of California, to improve their working conditions, and to advance their opportunities for profitable employment. (Labor Code §50.5)

2) Regulates the wages, hours, and working conditions of any worker employed in any occupation, trade, or industry, whether compensation is measured by time, piece, or otherwise, except as specified. (Labor Code §1171 et eq.)

3) Requires an employer to provide a notice to each current employee, by posting in the language the employer normally uses to communicate employment-related information to the employee, of any inspections of I-9 Employment Eligibility Verification forms or other employment records conducted by an immigration agency within 72 hours of receiving notice of inspection. Requires that written notice shall also be given within 72 hours to the employee's authorized representative, if any, and specifies what information is required in the notice. (Labor Code §90.2)

4) Requires an employer to post a notice specifying the regular pay days and the time and place of payment. (Labor Code §207)

5) Requires an employer to post in the workplace a notice containing information about paid sick leave, as specified. (Labor Code §247)

6) Requires an employer to prominently display a list of employees' rights and responsibilities under the whistleblower laws, including the telephone number of the whistleblower hotline. (Labor Code §1102.8)

7) Requires farm labor contractors to prominently display at the site where the work is to be performed and on all vehicles used by the farm labor contractor or their employees or agents

for the transportation of employees the rate of compensation the licensee is paying to their employees for their services, printed in both English and Spanish. (Labor Code §1695)

8) Requires an employer to post a notice containing information regarding workers' compensation that states the name of the current compensation insurance carrier of the employer, or when appropriate, that the employer is self-insured, and who is responsible for claims adjustment, as specified. (Labor Code §3550)

9) Requires an employer to post a notice containing information regarding safety rules and regulations, as specified. (Labor Code §6328)

10) Authorizes, in any instance in which an employer is required to physically post information, an employer to additionally distribute that information to employees by email with the documents attached. Specifies that email distribution does not alter the employer's obligation to physically display the required posting. (Labor Code §1207)

This bill:

1) Authorizes, in any instance in which an employer is required to physically post information, an employer to also distribute that information to employees by mail, in addition to email.

2) Provides that distribution by mail does not alter the employer's obligation to physically display the required posting.

COMMENTS

1. Background:

Workplace Postings

In California, employers are required to post notices informing their workforce of various employee rights and employer responsibilities. These notices include information related to wages, paid sick leave, working conditions, workers' compensation, and information regarding safety rules and regulations, as well as protections against discrimination and retaliation, among others. These postings are required to be placed in an area frequented by employees where they may be easily read during work hours.

Employer posting requirements are found in the California Labor Code, California Code of Regulations, and other relevant federal laws and regulations. DIR maintains a list of the employer required posting and notices on its website.[1]

In 2021, the Legislature and Governor approved SB 657 (Ochoa Bogh, Chapter 109) that permitted an employer to distribute the required information to employees by email with the document or documents attached, in addition to physical posting requirements. This did not change the employer's obligation to physically display the required posting.

2. Need for this bill?

According to the author:

[1] Workplace Postings, DIR, https://www.dir.ca.gov/wpnodb.html

"Existing law requires employers to physically post certain employment-related information at the workplace. While employers can also distribute this information via email, not all employees may receive the information due to emails being lost or because the employee has limited access to their emails. Employees who work remotely may not be able to view posted notices at their physical workplace, or may prefer hard copies. There is a need for greater flexibility in the methods available to employers for communicating required information to ensure all employees are informed.

AB 1392 would amend Section 1207 of the Labor Code to allow employers to distribute required workplace postings to employees by mail in addition to email. This amendment provides an alternative method to ensure that employees who lack regular email access or prefer physical copies still receive important information.

The physical posting requirement would remain unchanged, ensuring that employees have multiple opportunities to access required employment-related information. AB 1392 increases flexibility for employers and enhances access to information for all employees, improving overall compliance and communication."

3. Proponent Arguments:

None received.

4. Opponent Arguments:

None received.

5. Prior Legislation:

SB 657 (Ochoa Bogh, Chapter 109, Statutes of 2021) provided that, in any instance in which an employer is required to physically post information, an employer may also distribute that information to employees by email with the document or documents attached. Email distribution does not alter the employer's obligation to physically display the required posting.

AB 513 (Bigelow, 2021) would have authorized an employee working from home or a remote location not at the physical location of the employer to 1) receive legally required notices and postings electronically and sign or acknowledge certain documents electronically and 2) have any wages due at the time of separation of employment mailed to the employee using the address the employer has on file for the employee sending notices. The bill would have also required the wages to be deemed paid on the date of mailing. *This bill was not set for hearing in the Assembly Labor and Employment Committee*.

SUPPORT

None received.

OPPOSITION

None received.

-- END --