

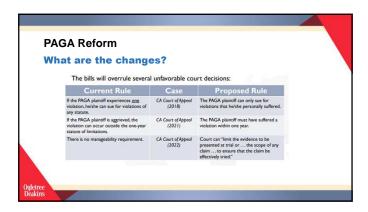




### PAGA Reform What is PAGA? • This allows plaintiffs—and their for-profit attorneys—to seek millions in civil penalties for violations of the Labor Code & Wage Orders. • These "civil penalties", which have a one-year statute of limitations, are assessed in addition to statutory damages. • For example, a plaintiff might seek \$10 or \$20 in unpaid wages during a pay period, but also seek \$100 in PAGA penalties for the same violation.

### PAGA Reform How is PAGA a problem? • Easy to file / allege violations. • No arbitration. • No class certification procedure • Suing employee can pursue penalties even if not directly harmed by a violation.



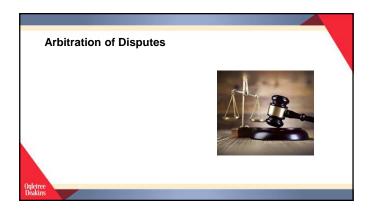


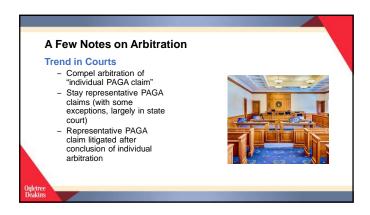
	PAGA Reform	
	What are the changes?  There will be greater opportunities to "cure" alleged PAGA violations:  Some violations may be cured within 33 days of the PAGA letter.  But the most common claims are not currently subject to cure.  The bills allow an employer to cure a broader set of claims including:  Wage statements;  Meal periods/rest breaks;  Minimum wage;  Overtime wages; and  Expense reimbursement	
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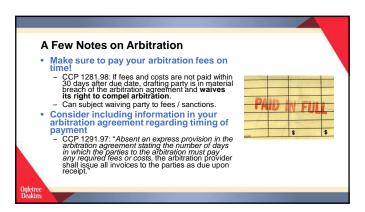
### PAGA Reform What should I do? • This law helps you only if you get sued; but don't get sued! • Get HR/legal help to ensure that you comply with California wage and hour laws. • Common issues: - Meal and rest breaks - OT and OT rates - Recording all hours worked - Proper pay stubs

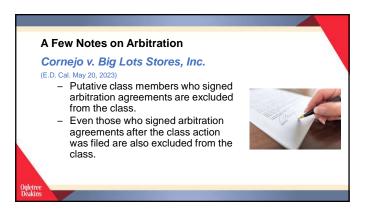


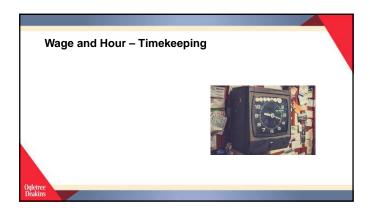
# Background Checks - Criminal History (SB 1345) • Would prohibit hiring employers from considering applicant criminal histories. • Narrow exceptions for "business necessity" which would be difficult to meet. - Still pending in legislature (not passed into law yet) Odetree bakins

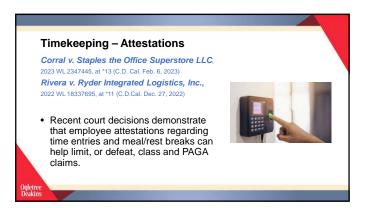


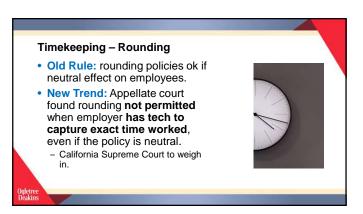


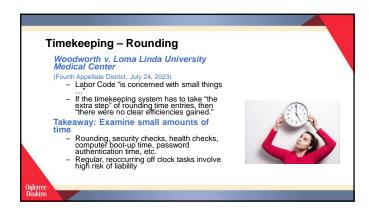






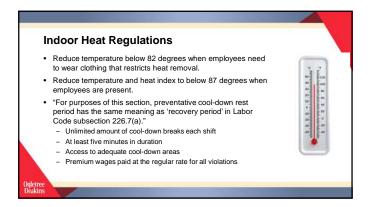


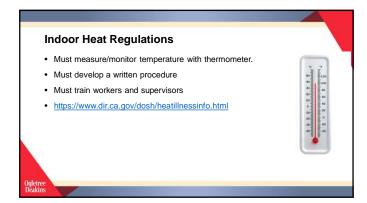




## Timekeeping — Off-the-Clock Work Huerta v. CSI Electrical Contractors, Inc. (Cal. Mar. 25, 2024) - Awaiting and undergoing mandatory vehicle inspection when exiting employer worksite constitutes hours worked. - Driving on employer's premises in personal vehicle before or after shift is not compensable hours worked, even if subject to employer's rules during the drive, like rules prohibiting ear pod use, smoking, stopping on the road, passing other drivers, horseplay, anti-discrimination. - When CBA exempts employees from state meal period requirements, employee must be paid minimum wage for on-duty meal periods.









# REMINDERS • Make sure you are paying your exempt employees a salary that is at least 2x the CA minimum wage - CA law requires that exempt employees be paid 2x CA minimum wage - January 1, 2024, CA hourly minimum wage increased to \$16.00 - \$1,280 per week, or \$66,560 annually • Deadline for CA Pay Data reporting was MAY 8, 2024 - https://pdr.calcivilrights.ca.gov

NEW Wage Theft Prevention	on Act Notice
Labor Code 2810.5 for non-exempt employees	NUMBER OF SHIPLINGS Address of the Control of the C
New form 2024: https://www.dir.ca.gov/dlse/lc_2810.5_notice.pd f	Barchine
Includes new sick pay info and also "emergency of disaster disclosure."	Fig. Nation - Rep. Globe - State - Autory  on plantion - Rep. Globe - State  14 - Mary Control - State  14 - Mary Control - State  And Control - Autory  Mary Control - State  Mary Control - State  Mary Control  M
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#### Covenants not to Compete – NOTICE TO EMPLOYEE • By February 14, 2024, employers must notify current and former employees that the noncompete clause or agreement is void. • Must notify employees with noncompetes who were employed on or any time after January 1, 2022. • Must be by letter and email.

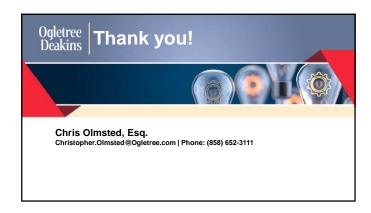
# FAQs Covenant not to Compete • Do covenants not to compete include nonsolicitation of customers clause? - Yes BUT can prohibit nonsolicitation using trade secrets - Customer lists can be trade secrets sometimes • Do covenants not to compete include nonsolicitation of employees clause? - Unclear but risky to continue including them • Uh oh. I didn't send the required notice in February. Should I do so now anyway? - YES

## Workplace Violence Prevention Program (WVPP) • SB 553 – Adds Labor Code section 6401.9 • Employers must implement written WVPP • July 1, 2024 deadline • Applies to virtually all California employers • Employee involvement in developing and implementing • "[S]pecific to the hazards and corrective measures for each work area and operation"

### Workplace Violence Prevention Program (WVPP) • Non-Active Procedures - Assessing workplace violence risks - Implementing strategies to reduce workplace violence risks (physical and procedures) - Investigating incidents and concerns - Violent Incident Log - Multi-Employer Worksites • Active Procedures - Alert - Evacuation or sheltering - How to obtain help during emergency

### WVPP - Training WHO: • All employees WHAT: • Each employee must understand the plan, procedures, and their roles • Training materials - content and vocabulary to the educational level, literacy, and language of employees should be used • An opportunity for interactive questions and answers with a person knowledgeable about the employer's plan WHEN: • When first established • Annually • Previous unrecognized hazard

## Frivolous Lawsuits Q: A former employee filed a frivolous discrimination lawsuit against my company. Can we sue him to recover fees and costs? A: Probably not. Lawsuit must be "objectively frivolous." - Neeble-Diamond v. Hotel California By The Sea, LLC





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