



New Labor Laws in 2004

LABOR FEDERATION SPONSORED LEGISLATION - ENACTED

Healthcare for Working Families (SB 2 - Burton/ Speier). Landmark legislation that requires employers with over 50 employees to provide their workers with health care or pay a fee to the state to provide the coverage. This bill will provide one million working Californians with health insurance. Requiring employers to provide health insurance also protects health insurance for those workers who already receive it through their workplaces.

Financially Sufficient Contracts (SB 179 – Alarcon). There are five sectors of the economy where workers are often cheated of their wages and required federal and state taxes are not paid. This bill requires that entities which contract with a construction, farm labor, garment, security, or janitorial contractor must ensure that the contracts provide sufficient funds for the contractor to comply with applicable state and federal laws.

Containing Medical Costs in the Workers' Compensation System (SB 228 – Alarcon/AB 227 – Vargas). This year's workers' comp reform targets the soaring medical costs and administrative inefficiencies throughout the system. This package creates a comprehensive medical fee schedule to cover all areas of medical treatment, including outpatient surgical centers and pharmaceuticals.

No State Contracts for Corporate Expatriates (SB 640 – Burton). Corporations are deliberately reincorporating offshore to avoid paying US taxes and flout legal protections for investors. This law denies California state contracts to these tax evading profiteers.

Private Attorneys General for Labor Law Enforcement (SB 796 – Dunn). Today's overtaxed labor enforcement agency cannot effectively enforce our existing labor laws. This law creates consistent civil penalties for violations of the labor code and allows aggrieved workers to collect partial penalties and back wages through action as private attorneys general. No longer must these workers wait for a burdened system to provide due justice.

Employment Discrimination (AB 76 – Corbett). This law makes it unlawful for an employer to fail to take corrective action to prevent sexual harassment of any employee by any person once the employer knows or should have known of the conduct. This law overturns a California appellate decision and brings California into conformity with federal law.

Getting Workers Their Due Wages (AB 223 – Diaz). A bad court decision had put workers on the hook for all attorneys' fees, even if they won a monetary award. This law overturns that court case and guarantees that workers who beat an employer's appeal to Superior Court should not have to pay any attorney's fees.

Dead Peasants Insurance (AB 226 – Vargas/Koretz). Employers were allowed to purchase life insurance for their workers and name the corporation as beneficiary. Greedy corporate executives have used insurance benefits to fund executive severance and bonus packages. This bill bans the sale of "Corporate Owned Life Insurance", commonly known as "Dead Peasants Insurance". Employers who already hold such a policy will have a number of years to divest and those that have already paid for their policies in full will have to disclose information about the policy to their workers. Employers can still purchase life insurance for their workers, so long as their dependents are named as the beneficiary.

Increased Penalties for Labor Law Violators (AB 276 – Koretz). Some penalties for violating labor laws have not been increased in over 20 years. Under this law, fines for failing to pay wages will increase from \$50 to \$100 for the first violation and up to \$200 for all subsequent violations, per worker. Penalties for failure to have a State Contractor's License will increase from \$100 to \$200. Failure to pay the minimum wage will increase from \$50 to \$100.

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Meal & Rest Breaks for Public Sector Commercial Drivers (AB 98 – Koretz). This law grants the Industrial Welfare Commission the ability to implement a regulation to extend meal and rest breaks enjoyed by private sector drivers to commercial drivers who operate trucks and buses for government agencies.

Discrimination (AB 196 – Leno). This law broadens the scope of sex discrimination prohibited under the Fair Employment and Housing Act (FEHA) to include the employee's gender. Gender is defined as the employee's actual sex, or the employer's perception of the employee's identity, appearance, or behavior, even if these characteristics differ from those traditionally associated with the employee's sex at birth.

School District Dues Checkoff (AB 310 – Kehoe). Some school districts take months to transmit dues to classified employee unions. This law requires a school employer to transmit money collected or deducted from an employee's salary for employee organization dues or fair share fees within specified periods.

Public Works: Labor Compliance Programs (AB 324 – Diaz). This law requires a labor compliance program to be approved by the Director of the Department of Industrial Relations and modifies the formula that provides reimbursement for increased costs associated with labor compliance programs.

Part-time Faculty Equity (AB 654 – Goldberg). This law urges community college governing boards to provide part-time faculty with rights and responsibilities commensurate with full-time faculty.

Public Works: Prevailing Wage (AB 807 – Leno). This law will help stop delays in contractor contributions to pension and other employee funds. It provides that an employer may only credit pension or other contributions against their prevailing wage obligations when the employer makes such contributions on at least a quarterly basis.

Prevailing Wages: Determinations (AB 852 – Lieber). This law establishes a new mechanism for determining prevailing wage rates on non-public works projects where a public and private entity voluntarily agree by contract that the employees will receive prevailing wages on the project. This measure would assist local governments, contractors, and workers who would like to voluntarily set a prevailing wage for certain contract work by simply making such wage rate information available to them.

California Apprenticeship Council (AB 1028 – Bermudez). This law extends the authorization of the California Apprenticeship Council to adopt industry-specific training criteria for use by apprenticeship programs under its jurisdiction.

CA Film First Moved to Housing Agency (AB 1277 – Cohn). The Film California First Program is transferred from the abolished Technology, Trade, and Commerce Agency to the Business, Transportation and Housing Agency.

Employment Data for the Utility Industry (AB 1389 – Ridley-Thomas). This bill requires the collection of data to help promote the employment of California residents in the utility industry.

Labor Violations (Laird – AB 1418). This law establishes minimum penalties for violations of prevailing wage requirements and requires the Contractors State Licensing Board (CSLB) to make information regarding specified contractors available on its website.

Public Works: Projects Funded by Bonds (AB 1506 – Negrete McLeod). This law requires there to be a labor compliance program for the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century. This bond is subject to voter approval on the November 2004 ballot.

Car Washes (AB 1688 – Goldberg). This law regulates the car washing industry by providing specific record keeping requirements that employers of car washers must implement with regard to wages, hours, and working conditions. Car wash workers are routinely paid with only tips, not wages, a flagrant violation of the law.

Agricultural Labor Relations (SB 75 – Burton). This law amends the mandatory mediation and conciliation procedures for agricultural workers and employers. It eliminates the January 1, 2008 sunset date and provides that the 75 caseload limit on mediations applies only until January 1, 2008.

Displaced Public Transit Employees (SB 158 – Alarcón). This law establishes a 10% bidding preference for public transit service contractors and subcontractors who agree to retain employees of the previous contractor for at least 90 days.

Public Contracts: Sweatshop Labor (SB 578 – Alarcón). This law prohibits a state agency from contracting with a contractor or subcontractor that utilizes sweatshop labor or fails to satisfy a "Sweatfree Code of Conduct" regarding terms and conditions of employment.

Prevailing Wages (SB 868 – Dunn). This law provides that per diem wages shall include assessments to fund worker protection and assistance programs or committees, and industry advancement and collective bargaining agreement administrative fees.

SF Bay Area Water Transportation Authority (SB 915 – Perata). This law gives Bay Area commuters convenient transit options through an expanded network of ferries.

Increased Toll on State Bridges (SB 916 – Perata). This law requires counties in the San Francisco Bay area to conduct a special election on a proposed increase of \$1 for state-owned toll bridges in that area.

Public Works and Prevailing Wages (SB 966 – Alarcón). This law authorizes a contractor to recover increased costs related to public works contracts under specified circumstances. What is the connection with prevailing wages?