



WILSON TURNER KOSMO
— LLP —

2025
**COMPLIANCE
CHECKLIST**

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RESPONDING TO CHANGES IN THE LAW

This Checklist summarizes the steps California employers should consider taking to comply with new employment-related laws, rules, and cases. Unless otherwise noted, new laws take effect January 1, 2025.

Please refer to WTK's [2024 California Legislative Update](#) for background about the new employment laws. And for more information on various key cases, please see the [Special Alerts](#) WTK issued throughout the year.

Wilson Turner Kosmo's Compliance Checklist is intended to update our valued clients on significant employment law developments. This should not be considered legal advice.

UPDATE WAGE PAYMENTS



Pay at least \$16.50/hour statewide as of January 1, 2025.



Be aware of increases to higher minimum wages in various municipalities including San Diego (\$17.25/hr in 2025), San Francisco, San Jose, Palo Alto, Long Beach and the County of Los Angeles. (UC Berkeley maintains a list you can access [here](#).)



If Proposition 32 passes in November 2024, minimum wages will increase even more:

	25 or Fewer Employees	26+ Employees
Expected effective date December 18, 2024:		\$17.00/hr
Jan. 1, 2025	\$17.00/hr	\$18.00/hr
Jan. 1, 2026	\$18.00/hr	



Employees classified as exempt from overtime must be paid at least \$5,720 per month (for a total of at least \$68,640 per year) and meet the applicable duties tests.



If Proposition 32 passes, salary thresholds will also increase.



Exempt computer professionals must be paid at least \$56.97/hour, \$9,888.13/month, or \$118,657.43/year and meet the applicable duties test.



Fast Food Workers must be paid \$20/hour (as of As of April 1, 2024).



Health Care Workers must be paid varying rates under the new Health Care Minimum Wage, which went into effect October 16, 2024. For phase-in schedules based on facility type, see: <https://www.dir.ca.gov/dlse/Health-Care-Worker-Minimum-Wage-FAQ.htm>.

PAGA PROTECTIVE MEASURES (AB 2288 AND SB 92)



Consider taking “**all reasonable steps**” to comply with the Labor Code (which can result in capping future PAGA penalties at a fraction of the maximum). This may include:

- ☐ Conducting periodic payroll audits;
- ☐ Taking action in response to the results of audits;
- ☐ Disseminating lawful written policies; and
- ☐ Training supervisors on applicable Labor Code and wage order compliance or taking appropriate corrective action with regard to supervisors.



Immediately upon receipt of a PAGA notice, complaint, or demand letter, consult counsel and **consider whether to cure**:

- ☐ Correct the violation(s)
- ☐ Comply with Labor Code
- ☐ Make whole aggrieved employees:
 - ☐ All claims other than wage statement claims:
 - ☐ Pay unpaid wages back to three years before the date of the notice;
 - ☐ Pay 7% interest;
 - ☐ Pay liquidated damages required by statute; and
 - ☐ Pay reasonable attorneys' fees.

☐ Wage Statement Claims:

- ☐ Name/Address of Employer (Labor Code § 226(a)(8)): Provide written notice of correct information to each aggrieved employee.
- ☐ All other violations of Labor Code § 226(a): Provide fully compliant, itemized wage statements going back to three years before the date of the notice.

LEAVE FOR VICTIMS OF CRIME AND VIOLENCE (AB 2499)

Applicable to all California employers.



Update all handbooks and leave policies:

- ☐ Revise/add definitions of “victim,” “qualifying act of violence,” and “family member.”
- ☐ Update the reasons for which employees may take leave (some types of leave are only required for employers with 25 or more employees).
- ☐ Specify that documentation for unexcused absence will only be required *at employer’s* request.
- ☐ Allow employees to use available, accrued paid sick leave.
- ☐ If desired, add limits on leave as allowed by law.
- ☐ Update eligibility for reasonable accommodations to include employee who is a victim or whose family member is a victim of a qualifying act of violence.



Notify Employees:

- ☐ When the Department of Industrial Relations publishes “Survivors of Violence and Family Members of Victims Right to Leave and Accommodations” form, provide copy to all employees.
- ☐ Then provide to new employees upon hire, to all employees annually, to any employee upon request, and any time an employee informs employer that the employee or the employee’s family member is a victim.

HIRING PRACTICES REVISIONS

Limitations on Driver’s License as a Requirement for a Job (SB 1100)

Applicable to all California employers with 5 or more employees.



Review job advertisements, postings, applications, and other materials to ensure they do not state applicant must have a driver’s license *unless*:

- ☐ You reasonably expect driving to be one of the job functions for the position; *and*
- ☐ You reasonably believe that satisfying the job function using an alternative form of transportation would not be comparable in travel time or cost to the employer. “Alternative form of transportation” includes but is not limited to using a ride hailing service or taxi, carpooling, bicycling, or walking.

Freelance Worker Protections (SB 988)

Applicable to any person or entity that hires a “freelance worker” except the federal or state government or an individual hiring services for the personal benefit of themselves, their family members, or their homestead.



“Freelance Worker” is defined as:

- ☐ A person or organization with only one person;
- ☐ Hired as an independent contractor;
- ☐ To provide professional services as defined in Labor Code section 2778(b);
- ☐ For at least \$250.



For all such “freelance workers,” ensure you have a contract in writing, furnish a signed copy to the worker, and retain a copy for four years. The contract must include:

- ☐ The name and mailing address of each party;
- ☐ An itemized list of all services to be provided, the value of services, and the rate and method of compensation;
- ☐ The date on which the contracted compensation shall be paid or the mechanism to determine such date; and
- ☐ The date by which the Freelance Worker shall submit a list of services rendered to meet the hiring party’s internal processing deadlines for purposes of timely payment.

INDOOR HEAT PROTECTIONS

Applicable to indoor workplaces where temperatures reach 82 degrees Fahrenheit.



Take steps to protect workers from heat illness, including providing:



Water;



Rest; and



Cool-down areas.



Take additional required steps if temperatures exceed 87 degrees Fahrenheit, employees wear clothing that restricts heat removal and the temperature is at least 82 degrees, or employees work in a high radiant heat area and the temperature is at least 82 degrees, including:



Measure the temperature and heat index.



Use specific control measures to minimize the risk of heat illness, such as engineering controls, administrative controls, or personal heat-protective equipment.



Provide training to each supervisory and non-supervisory employee on numerous specified subjects.



Establish, implement, and maintain an effective Heat Illness Prevention Plan, with numerous specified provisions.



Additional details and templates are available [here](#).

ADDITIONAL HANDBOOK/POLICY UPDATES

- ☐ Revise list of protected characteristics in Harassment, Discrimination, and Retaliation Policy:

☐ Include:

- ☐ (1) any combination of protected characteristics;
- ☐ (2) a perception the person has any of those characteristics or any combination of those characteristics; or
- ☐ (3) a perception that the person is associated with a person who has or is perceived to have any of those characteristics or any combination of those characteristics. (SB 1137)

☐ Revise “race” to include traits associated with race, including hair texture and protective hairstyles such as braids, locs, and twists (but *not only* traits *historically* associated with race). (AB 1815)

- ☐ Revise list of reasons for which employees may take paid sick leave to include:

☐ Leave for victims of violence as defined in Government Code section 12945.8 (AB 2499);

☐ (*If applicable*): Time off for agricultural employees who work outside to avoid smoke, heat, or flooding conditions created by a state or local emergency. (SB 1105)

- ☐ Eliminate the requirement that employees take up to two weeks of vacation/paid time off before initial receipt of family temporary disability insurance payments. (AB 2123)

- ☐ Revise or add a social media and/or harassment policy that prohibits employee posts of harassing content to a digital platform that negatively impact another employee's ability to work. (*Okonowsky v. Garland* (2024) 109 F.4th 1166.)
- ☐ Do not mandate employee attendance at meetings whose purpose is to communicate the employer's opinions about religious or political matters (including labor organization) unless an exception applies. (SB 399)
- ☐ Exercise caution responding to requests for accommodation related to pregnancy, childbirth or related medical conditions. Refer to new regulations and guidance regarding the federal Pregnant Workers Fairness Act, available [here](#).
- ☐ Update required postings:
 - ☐ Revise posting re: workers' compensation rights to include an injured employee's right to consult an attorney. (AB 1870)
 - ☐ Watch for Labor Commissioner's new "model list" of employee rights and responsibilities under California whistleblowing law, and then post. (AB 2299)

"STAY OR PAY" PROVISIONS ([NLRB GENERAL COUNSEL MEMO](#))

Applicable to employees covered by the National Labor Relations Act (excluding "supervisors" as defined in the law).

- ☐ Review agreements/provisions that require employees to pay or repay any amount if their employment is terminated before a certain date, including training costs, tuition reimbursement, relocation expenses, retention bonuses, and signing bonuses.

- ☐ Consider revising these provisions in light of the National Labor Relations Board General Counsel's memorandum indicating the NLRB may consider some provisions to be unfair labor practices. Revisions may include ensuring:

- ☐ The provision is voluntarily entered in exchange for a benefit;
- ☐ There is a reasonable and specific repayment amount;
- ☐ There is a reasonable "stay" period; and
- ☐ The provision does not require repayment if the employee is terminated without cause.

- ☐ Consider whether to continue to use "stay-or-pay" provisions and/or whether to revise to comply with the four-part test above.

ARBITRATION AGREEMENTS

- ☐ Review arbitration agreements and update for compliance with most recent legislative and judicial developments, including but not limited to:

- ☐ Assess risks and benefits of mandatory arbitration agreements and pay special attention to employees who may fall within the "transportation worker" exception.
- ☐ Avoid small fonts, dense paragraphs, and legal jargon.
- ☐ If arbitration agreement is presented electronically, give employee the option to view a paper copy in the office or pick up a paper copy.
- ☐ If arbitration agreement is signed electronically, ensure you can authenticate employees' signatures.

- ☐ Don't include a blanket bar on (or waiver of) representative actions.
- ☐ Don't require employees to pay fees they would not have to pay if in court (including paying attorneys' fees if they lose a motion to compel arbitration).
- ☐ Exercise caution re: overly broad confidentiality provisions.
- ☐ Be careful re: arbitration agreements that survive indefinitely.

- ☐ Be aware that if a case includes a sexual harassment or sexual assault claim, a court may not compel arbitration of *any part* of the case (including unrelated claims).
- ☐ If you are engaged in arbitration, ensure all arbitration-related fees are timely paid.

ADDITIONAL LEGISLATIVE CHANGES

- ☐ **There were additional legislative changes impacting employers in specific industries. Please contact counsel to be sure you are compliant with the changes that will go into effect on January 1, 2025.**

- ☐ New requirements re: closure of grocery stores and pharmacies. (SB 1089)
- ☐ Increased transparency for "social compliance audits" re: child labor. (AB 3234)

OTHER SUGGESTED “TO DO” ITEMS TO MITIGATE RISK

- ☐ Implement policies in line with changes to employment laws and regulations; communicate those policies, and provide training, particularly to supervisors, recruiters, and HR.
- ☐ Ensure your Employee Handbook and employment policies reflect all applicable state and local laws, regulations, and ordinances for places where your employees work (including remote workers).
- ☐ Document all adverse employment actions, performance issues, evaluations, and disciplinary issues.
- ☐ Evaluate employee workdays to ensure you are paying for all time worked (all time an employee is subject to the control of the employer or is permitted to work). This should include things like time spent waiting for computers to boot up, COVID and security screening, waiting for an employer’s required exit search (including while employee is in a personal vehicle), waiting to be let out of the workplace, time spent setting the alarm or walking co-workers to their car and potentially commuting time if employees are using personal vehicles to carry tools and supplies.
- ☐ Stop rounding time punches, including for meal periods.
- ☐ Conduct a classification audit and an exemption audit to ensure all workers classified as independent contractors and all employees classified as exempt from overtime meet legal requirements to be classified in this manner. This should include a review of new exempt salary thresholds based on state minimum wage each year.
- ☐ Conduct a payroll audit to ensure compliance with California’s myriad wage and hour laws.

- ☐ Ensure you are properly calculating and paying the “Regular Rate of Pay” for all overtime and double-time hours, paid sick leave, reporting time pay, and meal and rest period penalties.
- ☐ Continue to review all **template** employment agreements with non-compete provisions (including, e.g., offer letters, confidentiality agreements, severance agreements, proprietary information and inventions agreements, etc.) and remove any provision that restrains anyone from engaging in a lawful trade or business and does not fall within a statutory exception (for sale of goodwill/ownership in a business, dissolution of partnership, or dissolution or sale or limited liability company).
- ☐ Continue to be cautious re confidentiality agreements.
- ☐ Watch for any new guidance from the Civil Rights Division about pay data reporting for 2025.
- ☐ Ensure you are using the updated template Wage Theft Prevention Act Notice, available here: [NOTICE TO EMPLOYEE \(ca.gov\)](https://www.dir.ca.gov/NOTICE%20TO%20EMPLOYEE.htm).
- ☐ Ensure you are complying with the new law re: Workplace Violence Prevention Plans, which went into effect July 1, 2024. For more information, see our [Special Alert](#). Templates are available from CalOSHA [here](#).
- ☐ Exercise caution when using artificial intelligence in connection with any employment-related decision or process. DOL recently published [principles and best practices](#) regarding artificial intelligence (AI) and a [Field Assistance Bulletin](#).



Review prior Checklists to ensure necessary steps have been implemented:

☐ [2024 Checklist](#)

☐ [2023 Checklist](#)

☐ [2022 Checklist](#)

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