

# California Employment Law Fact Sheet

This employment law fact sheet is intended to provide a brief overview of key provisions of significant California employment laws. It is not an all-inclusive list of every law that could potentially apply to employment relationships in California.

## Wage and Hour

- **Wage Theft Notice** – Employers must provide written notice to each employee at the time of hire regarding their employment (rate of pay and basis thereof—e.g., hour, shift, day, week, etc., overtime rate, allowances claimed as part of minimum wage, regular payday, name of employer, address and phone number of employer, workers' compensation carrier information, and sick leave rights). Temporary services employers must also include the name, address, and phone number of the entity for which the employee will perform work. The California Labor Commissioner publishes a template notice.
- **Overtime** – Employees must be paid 1.5 times their regular rate of pay for all hours worked in excess of eight hours per workday or 40 hours per workweek and for the first eight hours worked on the seventh consecutive day worked in a workweek. Employees must be paid twice their regular rate of pay for all hours worked in excess of 12 hours in a workday and in excess of eight hours worked on the seventh consecutive day worked in a workweek.
- **Meal and Rest Breaks** – If an employee works a shift of more than five hours, they must receive at least a 30-minute meal period by the end of the fifth hour of work. If an employee works a shift of more than 10 hours, they must receive a second 30-minute meal period. Employees must be permitted to take one paid rest break of at least 10 minutes for every four hours worked or major portion thereof.
- **Day of Rest** – Employees are entitled to a day of rest each workweek, unless they work less than 30 hours that week and not more than six hours per day.
- **Reporting Pay** – With limited exceptions, employees who report to work but are not put to work or are furnished with less than half of their usual or scheduled day's work must be paid half of the usual or scheduled day's work, but in no event less than two hours nor more than four hours, at their regular rate of pay. If the employee is required to report to work a second time in any one workday and is furnished less than two hours of work on the second reporting, they must be paid two hours at their regular rate of pay.
- **Vacation** – Earned vacation time is considered wages and cannot be forfeited. All earned, unused vacation time must carry over at yearend. Employers may implement a cap on vacation accrual (which must be at least 1.5 times the employee's annual accrual amount) such that once an employee reaches the maximum accrual amount, accrual stops until the employee uses some of their vacation time and their accrued balance drops below the maximum accrual cap. All earned, unused vacation time must be cashed out upon separation of employment.
- **Final Paycheck** – In the event of involuntary termination or voluntary resignation with at least 72 hours' notice, employers must provide employees' final paychecks on their last day of employment. In the event of a voluntary resignation with less than 72 hours' notice, employers must provide the employee's final paycheck within 72 hours of the notice.

## Discrimination and Harassment

- **Equal Employment Opportunity** – Among other protected categories, California law prohibits employment discrimination on the basis of traits historically associated with race (including but not limited to hair texture and protective hairstyles, such as braids, locks, and twists) and reproductive health decision-making.
- **Sexual Harassment** – Employers are required to maintain written sexual harassment policies that include specific elements. Employers are required to provide training (which must meet specific requirements) to new hires and to recently promoted supervisors within six months, and retraining every two years thereafter. Temporary or seasonal workers who work less than six months must be provided with training within 30 calendar days of hire or within 100 hours worked, whichever occurs first.

## Family and Medical Leave / Sick Leave

- **California Family Rights Act (CFRA)** – Similar to the federal Family and Medical Leave Act, eligible employees are entitled to up to 12 weeks of unpaid, job-protected leave in a 12-month period for the birth or placement of a child, medical, family care, or qualifying exigency reasons. Unlike the federal FMLA, CFRA does not require an employee to work at a location with 50 employees within a 75-mile radius to be eligible for leave. The definition of covered family member is broader under CFRA than under the federal FMLA (for example, siblings, grandparents, grandchildren, and “designated persons” are covered).
- **California Paid Family Leave (PFL)** – Eligible employees may receive up to eight weeks of partial pay<sup>1</sup> in any 12-month period for time off to care for a covered family member, bond with a new child, or participate in a qualifying exigency event. PFL is funded by employee payroll deductions, and benefits are paid by the State of California.

- **Disability Leave** – Employees are entitled to short-term disability insurance through the state of California, which provides partial wage replacement benefits if they are unable to work due to a non-work-related illness or injury or due to pregnancy or childbirth. Separately, employers are also required to provide unpaid pregnancy disability leave of up to four months for the same pregnancy and may be required to provide other reasonable accommodations for employees who are disabled due to pregnancy, childbirth, or related medical conditions.
- **California Paid Sick Leave (PSL)** – Eligible employees are entitled to up to 24 hours or three days (whichever is greater) of paid sick leave during each designated 12-month period due to (1) the illness, injury, or health condition of the employee or a covered family member, or for preventive care; or (2) for certain absences related to domestic violence, sexual assault, or stalking.<sup>2</sup>
- **Kin Care Leave** – Employees may use half of their annual allotment of sick leave for covered kin care reasons, and such absences cannot be counted against the employee for attendance.

## Miscellaneous

- **Business Expense Reimbursement** – Employers are required to reimburse employees for expenses incurred in the course of their duties. This includes, but is not limited to, travel expenses and business use of personal cell phones.
- **Illness and Injury Prevention Plan (IIPP)** – California employers are required to maintain IIPPs for all work sites. Staffing agencies must coordinate with work site employers to ensure safe working conditions and that all employees are properly informed of IIPPs and health and safety requirements in the workplaces where they are assigned.

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1. In San Francisco, covered employers are required to supplement an employee’s PFL benefits so the employee receives a total of 100% of their normal gross weekly wages when PFL is used for new child bonding purposes.
  2. Many California localities have more generous PSL laws that require employers to provide more than 24 hours / three days of PSL or provide leave for additional covered reasons or covered family members. Employers must apply the applicable law that is most generous to the employee.
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