



SPAULDING
McCULLOUGH
& TANSIL LLP
ATTORNEYS AT LAW

Minimum Wage Increases Over Time To \$15.00/hour

Beginning January 1, 2017, the minimum wage increases to \$10.50/hour for employers of 26 or more employees. It increases again on January 1, 2018 to \$11.00/hour, with annual \$1.00 increases thereafter until the maximum of \$15/hour on January 1, 2022.

Small employers employing up to 25 employees have an additional year before raising the minimum wage. Beginning January 2018, the minimum wage for small employers will be \$10.50/hour, raising to \$11.00 beginning in 2019, and an annual \$1.00 increase every year to the maximum of \$15/hour on January 1, 2023.

Under the law, the governor may temporarily halt an increase if there is a forecasted budget deficit of more than 1% of annual revenue, or due to poor economic conditions such as declines in jobs and retail sales.

Remember – minimum wage increases will impact and increase the threshold for an exempt employee's salary as well as payments to piece workers for non-productive time.

Written Harassment, Discrimination and Retaliation Prevention Policies Are Now Required For All Employers

New Written Policy Requirements

Effective April 1, 2016, every California employer must have a written harassment, discrimination, and retaliation prevention policy that meets the following requirements:

- lists all current protected categories under the Fair Employment & Housing Act
- specifies that employees are protected from illegal conduct from any workplace source including coworkers, supervisors, managers and third parties in the workplace
- creates a confidential complaint process that ensures a timely response, impartial investigations by qualified personnel, documentation and tracking, appropriate remedial actions and resolutions, and timely closure
- provides a means for employees to complain to someone other than their direct supervisor, such as to a human resources manager, corporate officer or complaint hotline
- requires supervisors to report complaints of potential misconduct to a designated company representative
- makes clear that employees will not be exposed to retaliation as a result of making a complaint or participating in a workplace investigation.

Publication of Policy

Employers must publicize the policy through one or more methods including printing and providing a copy of the policy to all new hires and current employees with an acknowledgement form to sign and return and posting it in the workplace. If the workforce includes people whose spoken language is a language other than English, the policy must be translated into every language that is spoken by at least 10% of the workforce.

New Definitions

The new regulations provide definitions for the following protected classes:

- "Gender expression" is how a person looks or acts as either male or female, whether or not the person was male or female at birth.
- "Gender identity" means the person's identification as either male or female, or as a gender different from the person's sex at birth, or transgender.
- "Transgender" is a general term for a person who identifies himself or herself differently than that person's sex at birth.
- "Gender discrimination" includes sexual stereotyping. "Sexual stereotyping" means making assumptions about a person's appearance or behavior, or the person's ability or inability to perform certain kinds of work. A stereotype may be based on personal belief, myth, local community belief, social expectation or a generalization about the person because of their gender, gender expression or gender identity.

New Sexual Harassment Prevention Training & Recordkeeping Requirements

Sexual harassment prevention training must now include information regarding potential employer and individual liability in civil actions and highlight a supervisor's obligations to report sexual harassment, discrimination, and retaliation.

Employers must keep sexual harassment prevention training materials for two years after the training including attendance sign-in sheets, course materials and any questions and written answers exchanged in connection with training done by webinar.

Change to Notices of Employee Rights and Obligations Regarding Pregnancy Leave

The Department of Fair Employment & Housing postings regarding pregnancy leave have changed. The new posting, "Your Rights and Obligations as a Pregnancy Employee," replaces former Notice A. The new posting can be found at www.dfeh.ca.gov/publications.

Spaulding McCullough & Tansil LLP
Employment Law Group
Jan Gabrielson Tansil • Lisa Ann Hilario
Valorie Bader • Kari Brown
90 South E Street, Suite 200 | Santa Rosa, CA 95404
Tel (707) 524-1900 | Fax (707) 524-1906
www.smlaw.com