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Chambers and Partners named the Allen Matkins Labor and Employment Practice Group as one of the best in California for 2011.



Corporate Counsel magazine named Allen Matkins a "Go-To" law firm for labor and employment.

About Allen Matkins

Allen Matkins Leck Gamble Mallory & Natsis LLP is a California law firm with more than 220 attorneys practicing out of seven offices in Orange County, Los Angeles, Century City, San Diego, Del Mar Heights, San Francisco and Walnut Creek. The firm's broad-based areas of focus include intellectual property, real estate, construction, land use, environmental, corporate, finance, business litigation, tax, bankruptcy and creditors' rights, and labor and employment.

A Wave of New Changes to California Employment Laws for 2012

Governor Jerry Brown has approved numerous significant new laws affecting California employers. The following highlights some of these changes. Please click on each title for more information.

December 9, 2011

[New Mandatory Employee Notification Requirements \(AB 469\)](#)

AB 469, effective January 1, 2012, makes numerous additions and changes to the wage and hour provisions of the Labor Code. Under current law, employers are required to post specified wage and hour information in a location where it can be viewed by employees.

[California Employers May be Required to Pay for Health Insurance for Up to Seven Months \(SB 299 and AB 592\)](#)

Companion legislation SB 299 and AB 592 have expanded existing law to ensure that all pregnant women maintain health insurance benefits while on pregnancy-related leave. The new laws may significantly impact both small and large employers through increased health coverage costs.

[Commission Plans Must be in Writing by 2013 \(AB 1396\)](#)

AB 1396 amends the Labor Code to require, by January 1, 2013, that whenever an employer enters into a contract of employment with an employee for services to be rendered within the State of California and the method of payment involves commissions, the contract must be in writing and must set forth the method of computing and paying the commissions.

[Restrictions on the Use of Consumer Credit Reports in Employment \(AB 22\)](#)

AB 22 restricts use of consumer credit reports in employment decisions. The law bans employers and prospective employers, except certain financial institutions, from obtaining or using a consumer credit report for employment purposes unless the employee or applicant holds or is seeking certain positions.

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[New Independent Contractor Misclassification Liability \(SB 459\)](#)

The passage of SB 459 adds two new Labor Code sections, 226.8 and 2753 effective January 1, 2012. The new law prohibits the willful misclassification of individuals as independent contractors. The new law affects all industries and will have a significant impact on construction and transportation companies as well as employers using seasonal, short-term, and direct salespersons.

[Human Trafficking Bill Requires Disclosure \(SB 657\)](#)

On January 1, 2012, the California Transparency in Supply Chains Act (SB 657) will go into effect and require certain retail and manufacturing companies to disclose their efforts to ensure their direct supply chains are free from slave labor and human trafficking. Proponents of the new law argue that a top down approach will require larger entities to coerce smaller suppliers to disclose the nature of their business to ensure that it will be even tougher for slavery to occur throughout the State.

[Coverage of California Domestic Partners Under Health Insurance Plans Issued to Out-of-State Employers \(SB 757\)](#)

SB 757 expands the reach of the California Insurance Equality Act, which currently requires insurance companies to provide the same coverage for registered domestic partners as for spouses.

[Discrimination Based on Genetic Information \(SB 559\)](#)

SB 559 expands the prohibited bases of discrimination under the Unruh Civil Rights Act and the California Fair Employment and Housing Act (FEHA) to include genetic information.

[California's Organ Donation Leave Law Clarified \(SB 272\)](#)

Last year, the California Legislature enacted the Michelle Maykin Memorial Donation Protection Act (Act), codified at Labor Code sections 1508-1513. The Act provided employees with paid leave to donate an organ or bone marrow.

[California's Anti-Discrimination Laws are Broadened to Expressly Prohibit Discrimination Based on "Gender Identity" and "Gender Expression" \(AB 887\)](#)

Various California laws have long outlawed discrimination based on a person's "sex," a term of art that includes a person's "gender." For example, the FEHA prohibits an employer from discriminating against an employee in the terms, conditions or privileges of employment based on that employee's "sex."

[Medical Debts Exempt from Wage Garnishment \(AB 1388\)](#)

Under existing law, an employer must withhold from an employee's wages the amount stated on an earnings withholding order, up to the portion of the earnings the employee proves is necessary to support himself or his family.

[Increased Potential Liability for Minimum Wage Violations \(AB 240\)](#)

AB 240 amends Labor Code section 98 to permit the Labor Commissioner to award employees liquidated damages in an administrative complaint for failure to pay minimum wage.

[Employment Acceleration Act Prevents State and Local Government from Requiring Employers to Use E-Verify Program \(AB 1236\)](#)

Although more and more states and municipalities have begun mandating the use of E-Verify, a program operated by the Department of Homeland and Social Security Administration to verify whether employees are eligible to work in the United States, California has taken a different approach, recently passing a law prohibiting state and local governments from requiring private employers to use E-Verify.

[NLRB Notice Requirements](#)

The National Labor Relations Board ("NLRB") has issued a Final Rule requiring most private sector employers to notify employees of their rights under the National Relations Act by posting a notice. Employers must also provide a link to the notice from their internal or external website if they routinely use the site to inform employees of personnel rules or policies.

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