

# HR News for California Business Leaders



July 2016



## Still confused how the US Equal Pay Act and the California Fair Pay Act affects your business?

Were you aware that in 2013, women in California only **earned 84 cents, compared to every dollar paid to a man doing similar work?** Nationwide, the comparison was 79 cents!

Because of its importance, Equal pay will continue to be highlighted in the news. Employers who disregard these laws and take no action to comply, run a high risk of litigation. This article provides employers a systematic approach to create and conduct an employee pay analysis.

[Link to Full Article](#)

## Are your Exempt Employees Status in Jeopardy?

Did you know that there are certain payroll practices that can place the exemption status of your exempt employees in jeopardy?



In California, exempt job duties are determined by the exempt job categories laid out by the Department of Labor Standards Enforcement (DLSE).

Your misapplication of **exempt employee deductions** could change your exempt employees' status to non-exempt, **opening your business to wage & hour violations**. This article identifies the deductions that should not be used for exempt employees.

[Link to Full Article](#)



## Are You Consistent when Terminating an Employee?

Whether it's a termination, constructive discharge, layoff, or forced resignation, ending an employment relationship can be tricky. You should navigate terminations carefully, making sure you are consistent and have supporting disciplinary documentation.

Many small businesses call us for termination advice because of the potential confrontation and **wrongful discharge liability**. Our advice, be prepared by following a consistent company termination practice and maintain written employee records.

[Link to Full Article](#)

## Keeping Track - Required California New Hire Forms?



Do you maintain a new hire checklist that identifies the multiple required new hires forms and pamphlets required on your employee's first day?

**No?** This article provides a list and explanation of the required forms and pamphlets that, as of April 2016, are required in California.

[Link to Full article](#)

---

## Pending Employment Related Bills in CA Legislature

**Flexible Workweek. SB 985** (Berryhill; R-Twain Harte) Provides employers with the opportunity to accommodate employees' needs as well as business demands by allowing employees to request a voluntary, flexible workweek agreement that can be repealed by the employee at any time with proper notice.

**Imposes New Maternity and Paternity Leave Mandate. SB 1166** (Jackson; D-Santa Barbara) Unduly burdens and increases costs of small employers with as few as 10 employees, as well as large employers with 50 or more employees, by requiring 12 weeks of protected employee leave for maternity or paternity leave, and exposes all employers to the threat of costly litigation

**Retaliation Investigations. AB 2261** (R. Hernández; D-West Covina) Disrupts the workplace and creates the potential for harassment and abuse against employers by subjecting employers to random investigations for alleged employee retaliation **even when there are no employee complaints of retaliation.**

**Meal and Rest Period Penalty. AB 1948** (Wagner; R-Irvine) Reduces unnecessary litigation and stacking of remedies by specifying that the one-hour premium pay penalty for a missed meal or rest period is the sole remedy for the violation.

[See all CA Pending Legislation](#)

## HR News Briefs / Alerts

### EEOC Settles First Sexual Harassment Orientation Lawsuit

In May we published an article on "[Employers Guide to Understanding Gender Identification & Expression](#)" required by CA state law.

Now, the EEOC (Equal Employment Opportunity Commission) contends that bias based on sexual orientation is inherently sex discrimination and therefore violations are enforceable by the EEOC.

This month the EEOC determined the Pallet Company violated Title VII and was required to pay \$182,200 to Yolanda Boone, a lesbian former employee, who said she was harassed because of her sexual orientation and fired in retaliation for complaining about it.

**We recommend business leaders make it a priority to review your company's sexual orientation policies and discuss the new rules with your employees.**

[EEOC Case](#)

---

### **The City of Pasadena - On direct path to a \$15 an hour minimum**

Similar to other Southern California cities, Pasadena is moving to enact regulations that will required a \$15 dollar minimum wage.

According to the article, 31 percent of California households do not have sufficient income to meet their basic costs of living and **in Pasadena, that number is 33 percent!**

[Learn More](#)

---

### **San Francisco Employers**

This is a reminder for employers with employee working in San Francisco that they are required to update their Labor Law Posters with the new minimum wage increase to \$13.00 that became effective July 1st .

Poster are available from several vendors' websites, including CalChamber and Amazon

---

### **What is the required pay stub reporting? - Sick / PTO or Both**

According to the CA Labor Code 245(h), businesses with a PTO (Paid Time Off) policy with benefits that exceeds the minimum requirements of the CA PSL (Paid Sick Leave) may report PTO hours in lieu of sick leave on the employee's pay stub.

#### **Excerpt from CA Labor code 246(h)**

An employer shall provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement (pay stub)described in Section 226 or in a separate writing provided on the designated pay date with the employee's payment of wages.

---

**Do you have an HR question? Require tactical, strategic HR support or planning? Call us today for a no obligation consultation.**

**June Jeong, CEO**

[Info@eqhrsolutions.com](mailto:Info@eqhrsolutions.com) | <http://www.eqhrsolutions.com>

**855-461-8808**



