



April 16, 2025

TO: Members, Senate Labor, Public Employment and Retirement Committee

**SUBJECT: SB 294 (REYES) THE WORKPLACE KNOW YOUR RIGHTS ACT
OPPOSE – AS AMENDED MARCH 17, 2025**

The California Chamber of Commerce and the organizations listed below respectfully **OPPOSE SB 294 (Reyes)**, which would require employers to provide every employee upon hire and annually thereafter thirteen separate notices about complex federal and state laws that will be different from the employer's actual policies. Employers would be required to use notices drafted by the Labor Commissioner that include subjects that are not within the Labor Commissioner's jurisdiction. Although employees are already receiving notices and information about most of these laws, the bill will also create a private right of action and a \$500 penalty per employee for noncompliance.

We recognize the positive intent behind **SB 294** and support a transparent workplace where the employer and employee equally understand their respective workplace rights and benefits granted under the law. However, our opposition stems from the following reasons and concerns:

SB 294 is Duplicative of Existing Law

While we would understand additional notice requirements for subjects that are not presently covered by current law, such as a poster explaining an employee's rights regarding immigration enforcement, **SB 294** reaches far beyond that as most of its requirements are duplicative of existing law.

Nearly all of the required notices under **SB 294** are already accounted for under existing law by way of workplace postings, new hire pamphlets and employer policies. For example, at the time of hire, an employer must provide the employee with a pamphlet about their Workers' Compensation rights and

benefits, state disability insurance benefits, Paid Family Leave benefits, sexual harassment prevention, and an employee wage notice to name a few.

In addition, all employers must post in a conspicuous location where employees gather, a total of twenty-one postings that include state, federal, and local laws. These postings include information about the state and federal minimum wage, the applicable California Wage Order, California's Family Care and Medical Leave law, Pregnancy Disability Leave, unemployment insurance benefits, paid sick leave, workers' compensation, whistleblower protections and many more. Most of these postings direct employees to the appropriate enforcement agency to report noncompliance.

In addition, when an employer receives a Form I-9 Notice of Inspection (NOI) from the United States Immigration Customs Enforcement (ICE), employers must notify employees within 72 hours of the NOI that the employer is subject to a Form I-9 audit. Failure to comply exposes an employer to significant penalties.

SB 294 Will Overwhelm and Confuse Employees Because Employers Will Be Required to Use a Template That Does Not Match Their Policies

SB 294's required notices will be confusing because many employers have policies that are different from minimum standards required by law or include employer-specific provisions or procedures. For example, under California's paid sick leave law, employers' policies differ in many ways:

- **Accrual:** Employers have the option to decide whether to give an employee sick leave up front or on an accrual basis. Employers have different policies based on the method they've chosen.
- **Additional leave:** An employer may, and most do, provide more than the required five days of leave
- **Multiple leave options:** Employers can have multiple different policies on sick leave. For example, some employers have three separate policies: California paid sick leave, additional sick leave, and vacation, while others instead have one bucket of PTO that encompasses both California paid sick leave and vacation.
- **Additional Sick Leave Rights:** Some employers allow for policies not required by state law, such as cashing out leave upon separation.¹

Because **SB 294** requires the Labor Commissioner to develop a draft notice on paid sick leave that all employers must use, this will be extremely confusing.

Similarly, under the California Family Rights Act (CFRA), employers must provide up to twelve weeks of unpaid, job protected leave to care for their own or their family members' serious health condition, or for baby bonding. Although not required, some employers pay an employee's wages while on CFRA, while others provide more than twelve weeks, and some may grant the leave for reasons not covered by the law.

To add to this concern, the Labor Commissioner's office is tasked with drafting these notices with no input from employers and the employers are required to use those templates pursuant to proposed section 1554(a). Further, many of these topics are not necessarily under the Labor Commissioner's jurisdiction, such as data privacy (CPPA), certain retaliation laws (CRD), CFRA (CRD), the right to organize (NLRB or ALRB), and more. The Labor Commissioner would be tasked with drafting notices about laws they have no role in enforcing or interpreting.

The first day on the job often generates emotions ranging from excitement to sheer nervousness about a new beginning. In addition to meeting new coworkers, a new hire often spends a significant part of their day with Human Resources filing out new hire paperwork only to walk away with several legal pamphlets and employer policies. Adding an additional thirteen notices describing complicated areas of the law that

¹ To complicate matters further, if an employer uses one PTO bucket for everything, then it is actually required by law that the employer allow the worker to cash out the leave upon separation like they would with vacation pay.

differ from the employer's actual policy will unnecessarily add to the paperwork and angst a new hire is already experiencing.

Final Pay Concerns

In addition to the above, **SB 294** would require an employer to notify an employee's emergency contact if an employee is arrested or detained due to an "enforcement action" and allow the emergency contact to collect the employee's final paycheck. If the employer does not provide the final paycheck, then the emergency contact may file a wage claim against the employer.

Labor Code Section 202 contains very specific final pay requirements that expose employers to penalties and lawsuits if not followed. When an employee quits with no notice, the employer has 72 hours to prepare the final paycheck. If the employee requests and designates a mailing address, the check can be mailed; otherwise, the employer must hold the check until the employee picks it up.

SB 294 presumes that an employee who is arrested or detained due to an undefined "enforcement action" is simultaneously quitting their job, which may not be the case. What if the employee does not want their emergency contact notified about the arrest? Similarly, what if the employee does not want their emergency contact to collect their final paycheck? What if the emergency contact is estranged from the employee? There are too many questions and scenarios that will expose an employer to costly litigation and fines if the final paycheck is given to the wrong person, given against the employee's request or not given at all.

Civil Action and Penalties

Lastly, **SB 294** creates a new private right of action against an employer for noncompliance and includes a civil penalty of five hundred dollars per employee for each violation.

Employees are educated about their rights and benefits under the law in a variety of ways and throughout their employment. Providing additional legal notices to employees and attaching liability to employers for failing to comply will not create a workplace that is better informed than they are today.

For these and other reasons, we are **OPPOSED** to **SB 294 (Reyes)**.

Sincerely,



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California Association of Winegrape Growers, Michael Miiller
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California Farm Bureau, Bryan Little
California Hospital Association, Erika Frank
California League of Food Producers, Katie Little
California Restaurant Association, Matthew Sutton
California Retailers Association, Sarah Pollo
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AH:am