

2025 Legislative Update for California

Date: December 17, 2024

As your HR Partner, we keep you informed of new employment laws affecting California in late 2024 and into 2025. In this document, you'll find summaries of new legislation and how it may impact your business and employees in the coming year. Please read the summaries and click on the linked resources to learn more about each legislation.

If you have questions about the new legislation, please contact us at 808-394-8878 to speak with one of our expert HR Consultants. Mahalo!

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Short Summaries:

State Minimum Wage Increase

Effective January 1, 2025, the minimum wage in the state of California will increase to \$16.50/hour for all employers.

The overtime rate of pay for hours worked over 8 in a day increases to \$24.75 per hour and the double time rate of pay for some hours worked more than 12 in a day or on the 7th straight day of work increases to \$33.00 per hour.

State Minimum Salary Wage Increase for Exempt Positions and Selected Occupations

To be exempt from overtime, positions must generally be paid at a minimum of 2x the state minimum wage and meet other criteria to qualify for an exemption. Because minimum wage is increasing, the new threshold for state minimum wage for exempt executive, administrative and professional positions will be \$68,640 annually or \$1320 per week.

The minimum wage for certain licensed physicians and surgeons in California is \$101.22 per hour as of January 1, 2024 and will increase as of January 1, 2025 to \$103.75.

Minimum Wage: Fast Food Industry

New legislation included carve-outs of the \$20 minimum wage for certain bakeries and grocery store restaurants.

It also exempts eight types of restaurants from the definition of "fast food restaurants."

This legislation took effect on March 25, 2024. The California Department of Industrial Relations [FAQs](#) provides more information.

Minimum Wage: Health Care Workers

As of October 16, 2024, the minimum wage for health care workers in California will vary depending on the type of facility and the number of employees it has. The California Department of Industrial Relations [FAQs](#) provides more information.

Exempt Computer Professional Wage Increase

To qualify for the California computer professional exemption, starting January 1, 2025 California employers must pay their computer professional employees a salary of at least \$118,657.43 annually (\$9,888.13 monthly) or an hourly wage of \$56.97 for every hour worked.

More information on minimum wage increases can be found here:

<https://www.callaborlaw.com/entry/california-employers-are-you-ready-for-the-new-laws-of-2025>

Local Minimum Wages Increases

Some cities and counties have higher minimum wages than the state's rate. [Here](#) is a list of City and County minimum wages in California maintained by UC Berkeley.

California Worker Freedom from Employer Intimidation Act – Captive Audience Meetings

The "California Worker Freedom from Employer Intimidation Act" prohibits employers from discharging, discriminating against, retaliating against, or taking other adverse actions against employees who choose not to attend employer-sponsored meetings or decline to participate in, receive, or listen to communications intended to convey the employer's views on religious or political matters. The full bill can be found [here](#).

Victims of Violence

Effective January 1, 2025, legislation expands leave and workplace protections for victims and survivors of violence for specific reasons related to safety and recovery.

Protections are tied to one's status as a victim of a "crime of abuse." New legislation replaces this terminology with "qualifying acts of violence," or "QAV," which is defined as: (a) domestic violence, (b) sexual assault, (c) stalking, or (d) an act or conduct, including: an individual causing bodily injury or death to another, an individual exhibiting, drawing, brandishing, or using a firearm or other dangerous weapon on another, or an individual using or making a reasonably perceived or actual threat to use force against another to cause physical injury or death. A QAV includes such acts regardless of whether there is a criminal arrest, prosecution, or conviction.

The legislation permits employers to limit the total leave time taken depending on the status at issue. Specifically, if the victim of the QAV is the employee, the total leave taken can be capped at 12 weeks. If it is the employee's family member who is the victim, the leave may be capped at 5 days for relocation purposes and otherwise leave can be capped at 10 days with the exception that the maximum is 12 weeks if the victim is deceased as result of the QAV. Such leave runs concurrently with any leave provided under the CFRA and the FMLA.

Employers are required to inform new employees upon hire, all employees annually, at any time upon request, and any time an employee informs an employer that the employee or the employee's family member is a victim.

More information on the updates to this law can be found [here](#).

Driver's License Requirements in Job Postings

Employers must satisfy a two-part test before including a statement in a job advertisement, posting, application, or other material requiring an applicant to have a driver's license: the employer must (1) reasonably expect driving to be one of the job functions for the position; and (2) reasonably believe that satisfying the job function using an alternative form of transportation (such as taxi, carpooling, bicycling, or walking) would not be comparable in travel time or cost to the employer's business. See [Senate Bill 1100](#) for more information.

Discrimination Based on Multiple Protected Traits

California amended its anti-discrimination laws to include recognition of "intersectionality" in workplace discrimination claims. This will allow individuals to bring claims based on the intersection of multiple protected characteristics, such as race, gender, and age, rather than being limited to single-factor claims.

The updated law broadens protections by including:

1. Discrimination based on any combination of protected characteristics.
2. Discrimination based on the perception of someone having these combined characteristics.
3. Associative discrimination involving people perceived to belong to these groups.

[Link](#) to legislative bill.

Janitorial Working Conditions

Employers of janitorial workers must include workers in sexual violence and harassment prevention training. The amount per participant that janitorial employers must pay to qualified organizations providing required sexual violence and harassment prevention trainings must increase, from \$65 per participant to \$80 per participant for training sessions having 10 or more participants and \$200 per participant for training sessions having fewer than 10 participants.

Access to Paid Family Leave

California's Paid Family Leave Program ("PFL") provides wage replacement benefits to workers who take time off work to care for certain seriously ill family members, to bond with a minor child within one year of birth or placement, as specified, or to participate in a qualifying exigency related to the covered active duty or call to covered active duty of certain family members. The Unemployment Insurance Code has been amended to remove employers' ability to require employees to take vacation time before receiving PFL benefits. Employers should review and update their vacation and PTO policies to comply with the [amended law](#).

Workers' Compensation Notice to Employees

Employers who are subject to the workers' compensation system are generally required to keep posted a notice in a conspicuous location frequented by employees and easily read by employees during the hours of the workday. This notice now must disclose that injured employees may consult a licensed attorney to advise them of their rights under workers' compensations laws, and further, that in most instances attorney's fees will be paid from an injured employee's recovery.

Whistleblower Posting

The Labor Commissioner is mandated to develop a model list of employees' rights and responsibilities under the whistleblower laws. Employers that post the model list will be deemed in compliance with the California whistleblower law requirements to prominently display the list of employees' rights and responsibilities. See [AB 2299](#) for more information.

Disclosure Requirements for Social Compliance Audits Related to Child Labor

"Social compliance audits" are nongovernmental audits that review an employer's operations to ensure that the employer is compliant with laws or social standards, including but not limited to social and ethical responsibilities, health and safety regulations, and labor laws. This new bill requires an employer that voluntarily subjects its business to a social compliance audit to post to the company's website a report detailing the audit findings regarding compliance with child labor laws, including a significant amount of information related to the audit findings. More information can be found here: [AB 3234](#)

How We Will Help

When it is appropriate, the ProService Hawaii standard handbook will be updated in compliance with new laws. If you have a handbook addendum and you would like to verify whether a policy is compliant with a new law, please contact your dedicated HR consultant for assistance with updating the handbook addendum.

NOTE: This legislative update is provided for informational purposes only. It is not for the purpose of establishing an attorney-client relationship or providing legal or tax advice and should not be relied upon as legal or tax advice.