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# California's 2023 Legislative Cycle: Governor Newsom Provides Victories and Losses for the Labor Movement

During the 2023 legislative cycle, the California Legislature sent more than 900 bills to Governor Gavin Newsom's desk for his review. Of the 900 bills, thirteen bills were sponsored by the California Labor Federation (CLF) in support of major labor initiatives. The CLF is a coalition of 1,200 unions dedicated to protecting workers. The CLF indicated that this past legislative year was a "fantastic year for organized labor in the [California] State Legislature," specifically, thirteen of its sponsored bills passed the California Legislature and arrived at the Governor's desk for his review.

Below is a preview of two workers' rights bills signed into law (SB 616 and SB 497) and two workers' rights bills vetoed by Governor Newsom (SB 799 and AB 1356).

## Two Bills Signed by Governor Newsom

# SB 616: Increasing the Amount of Paid Sick Leave from Three to Five Days Per Year

SB 616 <u>allows</u> workers to earn up to five paid sick leave days per year, increases paid sick leave accrual opportunities, and increases paid sick leave carryover opportunities. The bill amends <u>California Labor Code § 246</u>, which allowed workers to earn up to three paid sick leave days per year and limited accrual and carryover amounts for the paid sick leave.

California is not the only state to allow workers to earn five paid sick leave days per year. Many states (e.g., Washington and Massachusetts) require at least five days of paid sick leave to employees. Moreover, SB 616 received widespread support from CLF, unions, and organizations. For example, Michelle Reed, a SEIU Local 2015 member, expressed her support for the bill: "[SB] 616 is so important to the caregiver's field. As a care provider, sick pay helps us to take better care of our recipients, since having to work while sick actually puts them in

more jeopardy of risk [...j]ust last year I had to go to work on a day when my asthma was acting up [...] and because of needing the money I had to go to work. Accrued sick pay would really help to make matters better."

On October 4, 2023, Governor Newsom <u>signed</u> SB 616 into law. He <u>reasoned</u>: "too many folks are still having to choose between skipping a day's pay and taking care of themselves or their family members when they get sick [. . . and w]e're making it known that the health and well-being of workers and their families is of the utmost importance for California's future."



Image 1: Photo by olm26250 via Flickr Digital Commons.

#### SB 497: Protecting Workers from Retaliation

SB 497 created additional protections for workers from retaliation at the workplace. Under existing California law, there are a string of "tough on paper" protections in place that prohibit retaliation against employees and job applicants. However, the National Employment Law Project (NELP) highlights the fact that workers do not have a fair shot in retaliation proceedings because "there is an overwhelming prevalence of workplace violations[,] low rates of violation reporting[,] high rates of employer retaliation[,] and frequent unfair and arbitrary findings." By amending California Labor Code §§§ 98.6, 1102.5, 1197.5, SB 497 allows the California Labor Commissioner's Office, a state agency charged to enforce California's employment laws, "to presume retaliation has occurred when the employer punishes or terminates a worker within 90 days of the workers' complaint of wage theft or unequal pay."

Data from various reports, supported by first-hand accounts from workers, indicate retaliation is a serious issue in the workplace. According to a workplace retaliation report by NELP, about thirty-eight percent of California workers experienced a workplace violation, but only a staggering ten percent of those workers reported the violations to a government agency. Anselmo Leyva, a carwash worker in Los Angeles, shared: "after I spoke out against injustices and dangerous conditions, investigators uncovered many wage violations at the car wash where I worked. My employer punished me [...by] reduc[ing] my hours and relocat[ing] me to another location far from my home [...] The bosses have all the power and legislators need to change that by passing stronger retaliation protections for workers."

On October 8, 2023, Governor Newsom <u>signed</u> SB 497 into law. In celebrating Governor Newsom's signature, Sheheryar Kaoosji, Warehouse Worker Resource Center's Executive

Director, <u>suggested</u> that his signature "is a strong declaration that California does not tolerate employers punishing, silencing or intimidating workers to keep them from reporting workplace violations or pay inequity."

## Two Bills Vetoed by Governor Newsom

SB 799: Allowing Striking Workers to Receive Unemployment Insurance Benefits After Striking for Two Weeks

SB 799 <u>sought</u> to allow striking workers to receive unemployment insurance benefits after being on strike for two weeks. The bill would have amended California Unemployment Insurance Code § 1262, which <u>indicates</u> that when a worker goes on strike due to a trade dispute, she is not entitled to unemployment insurance benefits.

SB 799 would have been <u>funded</u> through employer contributions on payroll taxes. It received major support from Californians who would have benefited the most from the bill. California would not have been the first state to pass such a law; in fact, <u>New Jersey and New York</u> already permit (and recently expanded eligibility for) striking workers to access their unemployment insurance benefits. SB 799 received widespread support from CLF and other unions, including those who were part of the 2023 Writers Guild of America West (WGAW) <u>strike</u>. Meredith Stiehm, WGAW's <u>President</u>, told the California Legislature: "striking workers in California are penalized when there is a work stoppage . . . [w]riters are the present day examples of workers who could greatly benefit from UI [. . . i]t is a safety net California can and should provide to striking workers."

On September 30, 2023, Governor Newsom <u>vetoed</u> SB 799. In his reasoning, Governor Newsom <u>indicated</u> that expanding eligibility "could increase California's outstanding federal UI debt projected to be nearly \$20 billion by the end of the year [. . .] and significantly increas[e] taxes on employers." Furthermore, he added "now is not the time to increase costs or incur this sizable debt." Governor Newsom stated he has a "deep appreciation and respect for workers who fight for their rights and come together in collective action," however, his actions of vetoing SB 799 suggest otherwise.



Image 2: Photo by Page Light Studios via Flickr Digital Commons.

# AB 1356: Expanding Layoff Notice Requirement and Protection for Contract Workers

AB 1356 <u>sought</u> to expand the layoff notice requirement and provide protections for contract workers. Under <u>California Labor Code § 1401</u> (also known as the <u>California Worker Adjustment and Retraining Act</u>, aka WARN), some employers must provide a 60-day written notice in order to conduct a mass layoff, relocation, or termination. <u>AB 1356</u> would have (1) required employers to provide a 90 days' notice if they laid off more than 50 workers in each instance; (2) provided contract workers with layoff protections; and (3) banned employers from coercing their laid-off employees from signing away key rights in exchange for lay-off protections.

The bill would have <u>provided protections</u> for over 7 million workers and nearly 2 million contract workers. <u>Melissa Ingle</u>, one of the workers who would have been protected by the bill, worked as a contract employee for Twitter for two years before she was laid off: "I got an email that said one or more of my accounts had been revoked. I tried to open my Twitter email and Slack but got a notice my accounts no longer existed. That's how I found out I was fired [. . . Additionally,] full-time employees that were laid off received a three-month severance package. But the contract workers didn't receive anything." Like SB 799, AB 1356 also received widespread support from CLF, organizations, and unions.

On October 8, 2023, Governor Newsom <u>vetoed</u> AB 1356. In his reasoning, Governor Newsom <u>indicated</u> that by including contractor workers, the bill "risk[ed] imposing liability on client employers who cannot reasonably be expected to know whether their actions will cause job loss for employees of their subcontractors and may not have the information necessary to provide the required notice." While Governor Newsom vetoed AB 1356, he <u>appears to be open</u> to finding a solution and asked the bill's author to "work with [his] administration [in] develop[ing] solutions that may better address the problem, while fulfilling the objectives of []WARN."

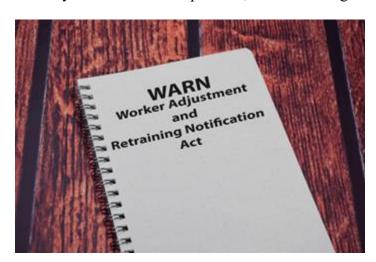


Image 3: Photo by <u>syahrir maulana</u> via <u>Flickr Digital Commons</u>.

#### **Conclusion**

While Governor Newsom signed a number of bills that protected workers, he also vetoed a number of bills that would have protected workers – especially striking workers and contract

workers – throughout California. Perhaps the 2024 Legislative Cycle will bring forth more victories than losses for the California labor movement.

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Victoria Chan is a 2L at Golden Gate University (GGU) School of Law. She graduated from University of California, Davis with a Bachelor of Arts in Sociology and International Relations. In addition to being a Staff Writer for GGU Law Review, Victoria is the Co-President of GGU Law's Asian Pacific American Law Student Association and Labor and Employment Law Association. During her time as the Senior Community Advocate for the Workers' Rights Program at the Asian Law Caucus, Victoria was honored to have supported the Kome workers during their path to victory.