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2016 LEGAL UPDATES

JANUARY 2016

2016 brings with it many new laws that affect employers. Here is a brief summary of some of the new legislation.

- ✓ **Federal Mileage Decrease** – The IRS lists the standard mileage rates have gone down effective Jan. 1, 2016 to 54 cents a mile. The business use rates are down from 57.5 cents a mile in 2015.
- ✓ **Independent Contractors** – The U.S. Department of Labor (DOL) issued new guidelines in which they broadened the scope of the term “employment” in determining if a worker is an employee or independent contractor. Most workers will be found to be employees under this broader definition of “employment”. The DOL will likely be much more aggressive going after misclassified workers now. Employers should audit all their 1099 workers.
- ✓ **Minimum Wage** – Several states and cities experienced an increase to their minimum wage at the beginning of the year. Click [here](#) to view a list of all the State and Local Minimum Wage Increases in 2016.

CALIFORNIA ONLY

- ✓ **SB 358 California Equal Pay Act (CEPA)** – Designed to strengthen existing laws against wage inequality based on gender. CEPA specifically prohibits employers from paying any employees at wage rates less than the rates paid to employees of the opposite sex for substantially similar work. It makes it more difficult for an employer to demonstrate that wage differences are justified. CEPA also prohibits employers from terminating, discriminating, or retaliating against an employee who exercises his/her rights or assists others in exercising their rights. Employers can't prohibit employees from disclosing their wages, discussing the wages of others, or asking about another employee's wages. However, the act does not obligate anyone to disclose wages when asked.
- ✓ **SB 588 Fair Day's Pay Act** – Helps employees who cannot collect because employers allegedly hid assets or changed entities. Labor Commissioners can now conduct hearings to determine whether a “person acting on behalf of the employer” should be held personally liable for wage violations. They can then levy that individual's personal assets, such as bank accounts and property, to enforce a wage judgment.
- ✓ **SB 579 Employees Time Off** – Labor Code section 230.8 currently requires employers with 25 or more employees to allow an employee to take off up to 40 hours per year for “child-related activities” if the employee is a parent with one or more children attending kindergarten, grades 1 to 12, or is at a licensed child care provider. Beginning January 1, 2016, “Child-Related Activities” now includes finding, enrolling, or reenrolling a child in a school or with a licensed child care provider. The law also includes leave to address a child care provider or school emergency, including a request that the child be picked up from school/child care, behavioral/discipline problems, closure or unexpected unavailability of the school (excluding planned holidays), or a natural disaster. “Parent” is now defined to include a parent, guardian, stepparent, foster parent, or grandparent of, or a person who stands in loco parentis to, a child.
- ✓ **AB 1509 Whistleblower and Anti-Retaliation Protections** – Expands whistleblower and anti-retaliation protections to prohibit employers from retaliating against an employee when his/her family member engages in whistleblowing or other protected activity.
- ✓ **AB 987 Reasonable Accommodation and Retaliation** – Clarifies that an employer can't retaliate or discriminate against an employee for requesting a reasonable accommodation for a disability or religion, regardless of whether the request was granted. The law clarifies that the mere act of making the request is protected under the Fair Employment and Housing Act (FEHA).

CONTACT US

Total HR Management

2626 Foothill Blvd. #220

La Crescenta, CA 91214

P • (800) 975-5128

F • (818) 658-2563

www.totalhrmanagement.com

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