

KD Alert: The New Year Brings New Laws for California and New York Employers

The New Year often ushers in new beginnings and a chance at fresh opportunities for many enterprising businesses. Unfortunately—for California employers—the New Year will also usher in the mandates of AB 469, also known as the “Wage Theft Prevention Act of 2011.” AB 469 was signed into law by Governor Brown in October 2011 and goes into effect January 1, 2012. Amongst other requirements, AB 469 creates new Labor Code section 2810.5, which requires all employers to provide written notice of specific wage and hour information to newly hired non-exempt employees at the time of hiring. This information includes the following:

- The rate of employee’s pay (including overtime compensation rates);
- The basis of the employee’s pay (shift, hour, day, week salary, etc.);
- Allowances claimed as part of the minimum wage, if any;
- The employer’s regular designated payday;
- The name of the employer, including any “dba” names used by the employer;
- The physical address of the employer’s main office or principal place of business, and a mailing address, if different;
- The employer’s telephone number;
- The name, address, and telephone number of the employer’s workers’ compensation insurance carrier; and
- Any other information the Labor Commissioner deems material and necessary.

Employers are required to notify non-exempt employees of any changes to the above information within seven days of the change, unless the information is provided for in the employee’s wage statements as provided for in Labor Code section 226.

Fortunately, the Labor Commissioner will be providing a template for employers to follow.

The requirements of AB 469 are not limited to the above. For example, there are actually provisions of AB 469 which classify some “willful” violations of the Labor Code by employers as misdemeanors. It would behoove the savvy employer to familiarize themselves with AB 469.

New York Employers Take Note

Employers in the State of New York should note that the California “Wage Theft Prevention Act” resembles the recent New York State law, which mandates the Notice and Acknowledgement of Pay Rate and Pay Day form that went into effect in 2011. Despite New York employer compliance in 2011, all New York employers must provide notices to their employees again by February 1, 2012, identifying an employee’s rate of pay, overtime rate, applicable allowances, and other requisite information.

For more information on the California Wage Theft Prevention Act of 2011, please contact Sarah Goldstein. For more information about New York State’s WTPA, please contact Keith Gutstein. The attorneys in KD’s Labor & Employment Law practice are happy to provide additional guidance on what actions employers should take to ensure compliance with its requirements and will continue to keep you apprised of developments related to these issues.

The materials contained in this Announcement are for informational purposes only and not for the purpose of providing legal advice. For advice about a particular problem or situation, please contact an attorney of your choice.