



# CRA 2023 Hot State Issues

Proposal + Author	Issue	Bill Summary	CRA Position	Status
STATE LEVEL (Contact: Matt Sutton at msutton@calrest.org or Katie Hansen at khansen@calrest.org)				
AB 524 (Wicks)	Protected leave: expansion + litigation	Creates staffing hurdles and litigation traps by requiring protected leave from work for anyone to care for anyone they deem to be the equivalent of a family relationship. Any adverse employment action will be presumed to be retaliatory and subject employers to litigation under the Fair Employment & Housing Act.	Oppose	<b>Vetoed (10/08/23).</b>
AB 539 (Nguyen)	ADA: high- frequency litigants	Limits allegations of accessibility-related violations to a one-time single violation per defect, requires plaintiffs to have a bona fide intent to be a customer of the business at the time that the plaintiff accessed the business. High-frequency litigants would be prohibited from recovering any amount, other than actual damages, that exceeds \$1,000 for each offense.	Recommended Support	Assembly Judiciary Comm./2- year bill.
AB 594 (Maienschein)	Duplicative labor enforcement: local prosecutor enforcement	Allows Attorney General and public prosecutors to enforce portions of the Labor Code related to wage and hour and employee classification provisions for 5-years. Concerns remain related to inconsistent enforcement and contracting out to private law firms.	Oppose	<b>Signed into law. (10/10/23).</b>
AB 698 (Essayli)	Natural gas bans	Prohibits state agencies or local governments from enacting natural gas bans, leaving the issue to the legislature.	Support	Assembly Utilities & Energy Comm./2-year bill.
AB 747 (McCarty)	Employer training costs/ non-compete agreements	Prospectively prohibits employers from utilizing non-compete agreements as a condition of employment and requires employers to cover costs of employee training.	Oppose	Assembly Inactive File/2-year bill.
AB 950 (Maienschein)	Legal reform: website accessibility	Strengthens website accessibility laws by giving greater guidance on compliance. Establishes a presumption of accessibility to businesses that model their websites in conformity with Web Content Accessibility Guidelines (WCAG) 2.1 Level AA or above. Also clarifies that a plaintiff must have <i>personally</i> encountered a barrier to access a website to make a claim.	Support	(Dead) Assembly Appropriations Comm.
AB 1013 (Lowenthal)	Drug testing devices	Requires bars and nightclubs to offer drug testing devices for sale to customers to detect drugged drinks. Requires prominent postings regarding availability of drug testing devices.	Watch	<b>Signed into law. (10/07/23).</b>



AB 1076 (Bauer-Kahan)	Noncompete agreements	Codifies existing case law to prohibit the inclusion of noncompete clauses in any employment context or employment contract.	Watch	<b>Signed into law. (10/13/23).</b>
AB 1217 (Gabriel)	Outdoor dining: regulatory relief	Extends low cost/streamlined ABC approval process for alcohol permits in expanded outdoor dining spaces, via the “temporary catering authorization.” Streamlines permitting light food preparation (satellite food service) closer to expanded, noncontiguous outdoor dining areas.	Sponsor/Support	<b>Signed into law. (10/08/23).</b>
AB 1228 (Holden)	Quick-Service restaurants	Embodies the deal points between national chain brands, SEIU, and the Newsom Administration. Eliminates AB 257 from the books (including the authorized \$22 minimum wage and state and local Councils to set workplace conditions). Eliminates joint-employer liability for franchise restaurants, eliminates Industrial Welfare Commission focus on restaurants, and establishes an advisory “Fast Food Council”. Imposes a \$20/hr. minimum wage for quick-serve restaurants with more than 60 locations. Forbids local governments from imposing minimum wages on these same restaurants for 5-years. <b><u>**CRA removed its OPPOSITION and went NEUTRAL based on the final deal and other policy victories.</u></b>	<b>**Neutral</b>	<b>Signed into law. (09/28/23).</b>
AB 1290 (L. Rivas)	Food packaging ban	Proposes an end-run around California’s comprehensive plastic and packaging recycling policy signed into law last year (SB 54), by imposing new product bans outside of that framework-complicating compliance and availability of packaging products.	Oppose	Assembly Inactive File/2-year bill.
AB 1347 (Ting)	Paper receipts: restriction/penalties	Beginning in 2026 businesses must offer customers the option to decline a receipt. Imposes unreasonable penalty fees of \$100/ per day for any violation and a maximum annual penalty of \$3,000 for issuing a receipt by mistake.	Oppose, unless amended	(Approved by Assembly) <b>Stopped in Senate Appropriations Comm. (09/01/23).</b>
AB 1356 (Haney)	Layoffs: advance notice requirements + penalties	Expands notice requirements under the WARN Act from 60 days to 90 days and applies to any business with 75 or more employees across all locations.	Oppose	<b>Vetoed (10/08/23).</b>
AB 1404 (Carrillo)	Website accessibility: notice	Specifies what content an attorney, with each demand letter or complaint alleging a website-related accessibility claim, must provide a written advisory notice on disability access laws. <b>Note: this bill is contingent upon passage of AB 1757 which is a 2-year bill and will not be considered until 2024.</b>	Support	<b>Signed into law. (10/13/23).</b>



AB 1516 (Kalra)	Biased minimum wage working group	Excludes employer community from the proposed Labor and Workforce Development Agency working group to study/evaluate minimum wage increases and provide recommendations to the legislature by July 1, 2024.	Oppose, unless amended	Assembly Inactive File/2-year bill.
AB 1757 (Asm. Judiciary Comm.)	Accessibility: internet websites	Presumes compliance with the Americans with Disabilities Act (ADA) as it relates to website accessibility IF a business opts to model their websites in conformity with Web Content Accessibility Guidelines (WCAG) 2.1 Level AA or above.	Support	<i>(Approved by Assembly)</i> Senate Appropriations Comm./2-year bill.
SB 76 (Wiener)	Alcohol: entertainment zones	Allows the City and County of San Francisco to create designated outdoor “entertainment zones,” enabling local brick and mortar restaurants/bars to sell takeout alcoholic beverages to patrons for consumption at street fairs, outdoor festivals, and other events.	Support	<b>Signed into law. (10/10/23).</b>
SB 253 (Wiener)	Supply chain: climate impact data	Imposes mandatory climate tracking and auditing of greenhouse gas emission data for larger businesses throughout the entire supply chain. Creates significant new burdens/costs for smaller employers servicing those larger entities and for the restaurant supply network.	Oppose	<b>Signed into law. (10/07/23).</b>
SB 330 (Niello)	Private Attorneys General Act (PAGA): right to cure	Improves compliance by including a notification requirement of the existing right to cure minor PAGA violations. Additionally requires that a notice provides relevant facts, legal contentions, and alleged harm when an employee or their representative seeks to bring a civil action by an aggrieved employee. When an action is brought, it is important to understand what the alleged harm is and the alleged number of employees that an action is seeking to be brought on the behalf of.	Support	<i>(Failed passage)</i> Senate Labor & Employment Comm.
SB 365 (Wiener)	Arbitration	Undermines arbitration and strips courts of a right by prohibiting a trial court from staying proceedings during an appeal of an order dismissing or denying a petition to compel arbitration.	Oppose	<b>Signed into law. (10/10/23).</b>
SB 375 (Alvarado-Gil)	Tax credit: non-emergency COVID-19 regulatory compliance	Creates a tax credit for compliance with existing non-emergency COVID 19 regulations regulating workplace exposure and cases. Allows a tax credit of up to \$100/employee for businesses with 100 or fewer employees and up to \$50/employee for larger employers.	Support	<i>(Dead)</i> Senate Appropriations Comm.
SB 399 (Wahab)	Employer communication: employees	Bars employers from <b>requiring</b> employees to attend meetings or participate in any communication about political matters or certain rights guaranteed by the US and CA Constitutions. Extremely broad definition of political matters which would prevent employers from engaging with team members about the impacts of public policy proposals. Labor unions are exempt.	Oppose	<i>(Approved by Senate)</i> Assembly Appropriations Comm./2-year bill.



SB 476 (Limon)	Restaurant employee trainings: employer pays	Restaurants must pay the cost of food handler training <u>and the time spent completing the training</u> . This has not been an employer mandate for over a decade, as the Food Card was designed to be 1) property of employee; 2) portable with the employee; and 3) affordable (by law).	Oppose	<b>Signed into law. (10/08/23).</b>
SB 478 (Dodd)	"Junk Fees"	Starting July 1, 2024, advertising, displaying, or offering a price for a good or service must include all mandatory fees or charges. While restaurants were not the target of this legislation- and are not mentioned in the bill language- the State Attorney General's Office has recently made conflicting comments about the new law's application. The CRA is working to resolve these issues.	Neutral	<b>Signed into law. (10/07/23).</b>
SB 495 (Dodd)	Alcohol: cocktails for delivery	Restores ability for cocktails to be delivered from restaurants, eliminates the requirement for a "meal" to accompany the beverages for either delivery or take-out, and requires delivery entities to have their own responsible beverage service training.	Support	<i>(Approved by Senate)</i>  Assembly Government Organization Comm./2-year bill.
SB 497 (Smallwood-Cuevas)	Presumption of employer violations	Creates a rebuttable presumption in favor of an employee's retaliation claim if an employer engages in disciplinary behavior within 90 days of the employee engaging in protected activity under the Labor Code.	Oppose	<b>Signed into law. (10/08/23).</b>
SB 553 (Cortese)	Workplace violence prevention	Amendments were taken to remove applying the stringent healthcare workplace violence prevention mandates to all employers. Those healthcare standards were unworkable and inappropriate for restaurant settings. The bill now applies the General Industry Workplace Violence Standard to all employers requiring a workplace violence prevention plan and training. <b><u>**CRA removed opposition based on our requested amendments.</u></b>	**Neutral	<b>Signed into law. (9/30/23).</b>
SB 585 (Niello)	Disability access: right to cure	Allows a right to cure for an alleged violation of a construction-related accessibility claim within 120 days of receiving notice. Legal action may commence after the occurrence of both a demand letter being served and a failure to correct within the cure period.	Support	<i>(Approved by Senate)</i>  Assembly Judiciary Comm./2- year bill.
SB 592 (Newman)	Good faith defense: Department of Labor Standards & Enforcement (DLSE)	Creates a good faith defense for employers who rely on DLSE opinion letters and enforcement policies.	Support	<i>(Failed passage)</i>  Senate Labor & Employment Comm.



SB 616 (Gonzalez)	Paid sick leave increase	Expands paid sick leave requirements from 24 hours per year to 40 hours per year beginning Jan. 1, 2024. Expands PAGA.	Oppose	<b>Signed into law. (10/04/23).</b>
SB 627 (Smallwood-Cuevas)	Store closures: operational restrictions	Requires chain businesses that close store locations to provide staff with a 60-day notice, transfer rights to another location within 25 miles for up to 1-year and requires employers to wait 5-days for each employee to respond prior to hiring anyone else.	Oppose	<b>Vetoed (10/08/23).</b>
SB 640 (Portantino)	Project Labor Agreements: restaurants	Requires onerous Project Labor Agreements for any food-service entity doing business on a California State University (CSU) campus or CSU hotel property.	Oppose	<b>Vetoed. (10/08/23).</b>
SB 703 (Niello)	Flexible work schedules	Allows individual nonexempt employees to request an employee-selected flexible work schedule providing for workdays up to 10 hours per day within a 40-hour workweek. Employers would be able to implement this schedule without the obligation to pay overtime compensation for those additional hours in a workday.	Support	<i>(Failed passage)</i> Senate Labor & Employment Comm.
SB 723 (Durazo)	Right of retention/rehire requirements	Takes temporary COVID-19 legislation and extends it by one year. Requires hotel, private club, event center, and airport hospitality operation employers- including restaurants in each of those spaces- to provide laid-off employees first right of refusal for positions they held for 6-months or more or are deemed qualified for. Employees have 5 workdays to respond to job offers, further complicating staffing challenges. Recent amendments establish a presumption that a separation due to a lack of business, reduction in force, or other economic non-disciplinary reason is due to the COVID 19 pandemic. <b><u>**CRA went from OPPOSED to NEUTRAL based on late amendments to extend this policy for 1-year, rather than make it permanent.</u></b>	<b>**Neutral</b>	<b>Signed into law. (10/10/23).</b>
SB 728 (Limon)	Gift cards: ban	Bans plastic gift cards by Jan. 1, 2027, but allows businesses to sell existing plastic gift cards in stock until Jan. 1, 2028.	Oppose	<b>Vetoed. (10/08/23).</b>
SB 799 (Portantino)	Tax increase: unemployment insurance	Extends Unemployment Insurance (UI) benefits to striking union workers, thereby increasing UI taxes on non-union employers and exacerbating insolvency issues for the UI Fund.	Oppose	<b>Vetoed. (09/30/23).</b>
SB 809 (Smallwood-Cuevas)	Employment background checks: ban	Prohibits employers from conducting background checks on arrest or conviction history.	Oppose	<i>(Dead)</i> Senate Appropriations Comm.



SB 881 (Alvarado-Gil)	Paid sick leave	Increases paid sick leave from 24 hours per year to 40 hours per year. Includes critical reforms to existing paid sick leave law: 1) no PAGA enforcement; 2) allows employers to require documentation from staff; 3) bans future local Ordinances; 4) calculates paid sick leave at base rate of pay (as opposed to regular rate of pay).	Support	<i>(Failed passage)</i> Senate Labor & Employment Comm.
SCA 7 (Umberg)	Employment	Makes permanent changes to the state Constitution that lock in sweeping and broadly worded employment standards that will negatively impact the state's employment community, inhibit efficient government performance, encourage lawsuits, and restricts state and local lawmaker's ability to legislate for changing circumstances by locking in these conditions into the Constitution.	Oppose	<i>(2-year bill)</i> Senate Elections & Constitutional Amendments Comm.

STATE REGULATIONS UNDER CONSIDERATION (Contact: Katie Hansen at [khansen@calrest.org](mailto:khansen@calrest.org) or Matt Sutton at [msutton@calrest.org](mailto:msutton@calrest.org))

Cal/OSHA	Indoor heat illness prevention	Regulatory process underway to adopt regulations governing the indoor temperatures of workplaces, including restaurant kitchens.	Oppose, unless amended	Years long engagement by CRA and CRA Board of Directors to mitigate restaurant impacts.  <b>Next:</b> Final regulation expected in Winter of 2023, implementation expected in early 2024.
Cal/OSHA	COVID-19: non-emergency standard	COVID-19 workplace regulation requiring employers to maintain a procedure to address COVID-19 in the employer's Injury and Illness Prevention Program, test employees based on a close contact at work to COVID-19, exclude COVID-19 positive employees from the workplace.	Oppose, unless amended	<b>Next:</b> Standard in effect until 2/3/25. Recordkeeping requirements in effect through 2/3/26.
Cal/OSHA	Workplace training and reporting mandates	Draft regulation requires employers to establish, implement and maintain an effective Workplace Violence Prevention Program. Employees must be trained in <u>preventing</u> and handling violence in the workplace. Wide ranging mandate for mandated recordkeeping of incidents.	Oppose, unless amended	Submitted a comment letter.  <b>Next:</b> Informal rulemaking process.
Cal Recycle	Plastic Pollution Prevention and Packaging Producer Responsibility Act	Cal Recycle is in the beginning phases of the rulemaking process to achieve the SB 54 statutory goal of manufacturers creating a product responsibility organization to increase packaging recycling.	Engaged	Public workshop on covered materials on 9/27/23.
Dept. of Food & Agriculture	Proposition 12	Prop. 12 was approved by voters to establish regulations on animal confinement. We are not challenging the underlying policy- or the will of the voters. The California Department of Food and Agriculture (CDFA) proposed regulations on how to comply nearly two-years late, giving producers no adequate time to comply. CDFA's lack of timely action threatened dramatic impact to supply/price.	Neutral due to legal settlement.	<b>Next:</b> CRA legal action against the State resulted in the new Jan. 1, 2024 enforcement date for pork products <u>in possession on 7/1/23</u> .

California Department of Public Health	Menu warning: synthetic dyes	CDPH received a petition requesting a rulemaking to require packaged food products and restaurant menus to display warning labels for items that contain synthetic food colors.	Oppose	<p>Informational hearing held. CRA submitted a comment letter.</p> <p><b>Next:</b> TBD</p>
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