

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 294 (Reyes) – As Amended July 1, 2025

|                   |                      |       |        |
|-------------------|----------------------|-------|--------|
| Policy Committee: | Labor and Employment | Vote: | 7 - 0  |
|                   | Judiciary            |       | 10 - 1 |

Urgency: No      State Mandated Local Program: No      Reimbursable: No

**SUMMARY:**

This bill establishes the Workplace Know Your Rights Act.

Specifically, this bill:

- 1) Requires an employer to provide an annual stand-alone written notice to each employee regarding workers' rights, including the constitutional rights of an employee when interacting with law enforcement at the workplace. The notice must be provided to: (a) current employees within 30 days after the Labor Commissioner (LC) develops and posts a template notice on the LC's website, (b) new employees upon hire, and (c) an employee's authorized representative. The LC's template must be available in at least five specified languages other than English.
- 2) Requires, by July 1, 2026, the LC to develop separate videos for employees and employers, advising each of their respective workplace rights and obligations.
- 3) Requires an employer to notify an employee's designated emergency contact if the employee is arrested or detained at their worksite.
- 4) Prohibits an employer from discriminating or retaliating against an employee who exercises their rights under these provisions.
- 5) Requires the LC to enforce these requirements through an administrative citation or filing a civil action, and authorizes alternative enforcement by a public prosecutor. The petitioner in a civil action may seek appropriate injunctive relief, including punitive damages and reasonable attorney's fees and costs. An employer in violation of these requirements may be subject to a civil penalty of up to \$500 per employee, per violation.

**FISCAL EFFECT:**

- 1) Annual costs of approximately \$1 million to \$2 million to the LC to develop multilingual template notices, develop videos for employees and employers, and provide enforcement (Labor Enforcement and Compliance Fund). Costs may be minimally offset by penalty revenue.
- 2) Annual cost pressures (General Fund (GF) or Trial Court Trust Fund (TCTF)) of an unknown, but potentially significant amount, to the courts in additional workload by creating a new civil action and authorizing public prosecution to enforce workplace notice rights. It is

unclear how many additional civil actions may be filed statewide, but the estimated workload cost of one hour of court time is \$1,000. Although courts are not funded on the basis of workload, increased pressure on staff and the TCTF may create a demand for increased court funding from the GF to perform existing duties. The Budget Act of 2025 provides \$82 million ongoing GF to the TCTF for court operations.

#### COMMENTS:

1) **Purpose.** According to the author:

Since President Trump's inauguration, the federal government has enacted a wave of Executive Orders that aims to weaken civil and labor protections which muddies the waters for workers and employers alike...This confusion over state and federal laws often scares workers into remaining silent and makes them susceptible to civil and labor law violations. As an example, past experiences with worksite raids from the Immigration and Customs Enforcement (ICE), demonstrate the likelihood of raids violating employees' due process. Now, more than ever, it is imperative that workers and employers know their rights under California and federal law.

This bill is co-sponsored by the California Federation of Labor Unions, Central American Resource Center, and SEIU California, and supported by other labor organizations, various social justice groups, and Attorney General Rob Bonta.

2) **Existing Workplace Notices.** Existing law requires an employer to provide an employee with notice about various workplace protections, such as protection against misclassification, sick leave and workers' compensation policies, and the right to organize a union. Such laws protect all workers regardless of immigration status. Additionally, AB 450 (Chiu), Chapter 492, Statutes of 2017, requires an employer to provide notification to an employee regarding immigration enforcement activities at the workplace within 72 hours of receiving notification of an inspection by the immigration agency.

This bill requires an employer to provide an employee with an additional annual notice detailing various workplace rights, including protections during immigration enforcement actions. As noted in the Assembly Labor Committee's analysis of this bill, "Given the fiscal restraints this year, the author may wish to consider whether a separate notice makes sense or if it would be better to combine the notice proposed by this bill with the notice required under existing law." This bill also requires the LC to develop informational videos regarding an employee's rights and an employer's obligations, requires an employer to notify an employee's designated emergency contact in the event the employee is arrested or detained, and provides for enforcement of these rights under the LC or a public prosecutor.

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