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FOR CALIFORNIA EMPLOYERS ONLY

CALIFORNIA PAID SICK LEAVE INCREASES TO 40 HRS.

From January 1, 2024, California requires the Company to provide up to 40 hrs. of Paid Sick Leave for California employees (an increase from 24 hrs.) per year. The Company can front-load 40 hrs. from January 1, 2024 (or from the first day of employment) for its California employees, then the maximum rolling cap is limited to 40 hrs. If California paid sick leave is accrued and provided in increments each pay period instead of front-loading, then there is an 80 hr. rolling cap. If accrued, the accrual rate is unchanged (1 hour per 30 hours worked). California recently released [FAQs](#). The Company must post the California Paid Sick Leave poster [HEALTHY WORKPLACES/HEALTHY FAMILIES ACT OF 2014 PAID SICK LEAVE \(ca.gov\)](#) and must complete and provide the California Labor Code Section 2810.5 Notice to California employees [NOTICE TO EMPLOYEE \(ca.gov\)](#) within seven calendar days after the time of the changes, unless either (a) all changes are reflected on a timely detailed wage statement which meets ALL the requirements of [California Labor Code Section 226 \(public.law\)](#) or (b) Notice of all changes are provided in another writing required by law within seven days of the changes. If the Company also has Paid Time Off (PTO) or Paid Vacation for California employees, the Company can revise the PTO or Vacation schedules for California employees to keep the same current total number of paid hours by adjusting the PTO or Paid Vacation. Provided the Company notifies the California employees, the Company can carry over unused California paid sick leave and then front load the balance to equal 40 hrs. of California paid sick leave on January 1, 2024.

CALIFORNIA REPRODUCTIVE LOSS LEAVE

California employers with five or more employees are required to provide California employees who have been employed for at least 30 days with up to five (5) days of leave when they experience a *reproductive loss*. A reproductive loss includes a failed adoption, failed surrogacy, miscarriage, stillbirth, or an unsuccessful assisted reproduction. Reproductive loss leave can be taken by any employee who would have been the parent. The leave must be completed within three months of the loss and days can be taken intermittently. The leave can be unpaid unless the Company has an existing paid leave policy that would apply. If unpaid, employees can choose to use any available paid leave, including accrued sick leave. Reproductive loss leave is in addition to all other state leave rights and does not run concurrently with CFRA or PDL. For employees who experience multiple losses, the Company can cap leave at 20 days in a 12-month period.

CALIFORNIA NOTICE REQUIREMENT FOR NEW CALIFORNIA HIRES

The Company must provide new California employees with notice about any federal or state emergency or disaster declaration that applies to any county where the employee will perform work and that may affect their health and safety on the job, if the declaration was issued in the 30 days prior to their start date. The California Department of Industrial Relations updated its Labor Code Section 2810.5 [NOTICE TO EMPLOYEE](#) template.



CANNABIS PROTECTIONS IN CALIFORNIA EMPLOYMENT

California employers with five or more employees are prohibited from discriminating against an applicant or employee for using cannabis off-duty and away from the workplace. This includes discriminating based on a drug test that finds non-psychoactive cannabis metabolites in their system. Non-psychoactive cannabis metabolites are what's stored in the body after THC (which causes the "high") is metabolized. Their presence means that cannabis was consumed but does not indicate that a person is currently impaired. The Company cannot ask about an applicant's prior use of cannabis or consider information about an applicant's or employee's prior cannabis use. This includes making decisions based on information revealed in their criminal history, unless doing so is allowed by state or federal law.

California employers can still make employment decisions based on drug tests that don't screen for non-psychoactive cannabis metabolites. California employers can also continue to take steps to ensure a drug free workplace, such as prohibiting employees from having or using cannabis at work or being impaired on the job. The California law contains certain exceptions, including but not limited to, employees in building and construction, and positions for which drug testing is governed by federal or state law, a federal contract, or as a condition of receiving federal funds or licensing.

MINIMUM WAGE INCREASES

California Minimum Wage increases to \$16 per hour. Some California cities have higher minimum wage rates. Exempt California computer software employees increases to \$55.58/hr. (or \$115,763.35/yr.) The minimum exempt salary threshold for California exempt employees increases to \$1280/wk. or \$66,560/yr.)

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