
California Capitol Dome

2026 Employment Law Legislative Update

Ramit Mizrahi | Phyllis W. Cheng

October 23, 2026


California Capitol Dome

THE SPEAKERS



Ramit Mizrahi, Esq.



Phyllis W. Cheng, Esq.



California Capitol Dome

OVERVIEW

2026 legislative session:

- Artificial Intelligence
- Economy
- Elections
- Immigration
- Education
- Environment
- Pensions and public employees
- Homelessness

1160 bills sent to Governor:

- 1040 bills signed (89.7%) and 120 vetoed (10.3%)
- Over 80 employment bills signed (12.5% increase) and 11 (13.75%) vetoed
- Effective January 1, 2027, except for emergency measures effective immediately
- Veto reasons: fiscal, redundancy, policy disagreement



California Capitol Dome

ARBITRATION

Pasadena Bar Association · Founded 1874

Mizrahi Law
Mediation

ADR Services, Inc.
Your Partner in Resolution


California Capitol Dome

AB 2155 by Assemblymember Cecilia Aguiar-Curry (D-Winters) — Arbitration: validity of agreements to arbitrate

- Makes arbitration agreements under the California Arbitration Act unenforceable where they would not be enforceable under the Federal Arbitration Act.

- These include arbitrations excluded under the FAA through the Ending Forced Arbitration of Sexual Assault and Sexual Harassment Act of 2021, as well as contracts of employment of seamen, railroad employees, or any other class of workers engaged in foreign or interstate commerce.



California Capitol Dome

ARTIFICIAL INTELLIGENCE

Pasadena Bar Association · Founded 1917

Mizrahi Law
Mediation

ADR Services, Inc.
Your Partner in Resolution


California Capitol Dome

AB 2392 by Assemblymember Mike Fong (D-Alhambra) — Public postsecondary education: generative artificial intelligence systems: procurement standards: training

AB 2392 sets standards for how California's public colleges and universities buy generative AI (GenAI) systems and train people to use them.

AB 2392 binds the Community Colleges Chancellor's office and the California State University, and only "requests" compliance from the University of California.

The standards must require that any GenAI system purchased:

- has had a documented risk assessment and has safeguards against harmful or illegal outputs;
- avoids excessive "sycophancy," meaning flattering or agreeing with users at the expense of accuracy;
- comes from a vendor that monitors for threats of self-harm or harm to others and escalates them to human review;
- comes with written data-use, data-minimization and audit rules;
- comes from a vendor that discloses its training data sources and, as far as can reasonably be determined, does not use exploitative labor practices.

Students, faculty and staff must receive training that covers GenAI use and academic integrity policies, privacy practices, and the system's limitations.


California Capitol Dome

SB 947 by Senator Jerry McNerney (D-Pleasanton) — Employment: automated decision systems

- Prohibits employers from using automated decision systems to:
  - ✓ prevent compliance with certain laws or regulations;
  - ✓ infer a person's protected status under the FEHA;
  - ✓ Predict and take adverse action against a worker for exercising their legal rights.
- Prohibits employers from *solely* relying on ADS when making a disciplinary or termination decision.
- Requires employers who *primarily* rely upon an ADS output to make a disciplinary or termination decision to direct a human to corroborate the decision using data that was collected or used to produce the ADS output or other relevant corroborating or supporting information.
- Creates post-use notice requirements when ADS are used for adverse actions.
- Contains an anti-retaliation provision.
- Enforced through the Labor Commissioner or a public prosecutor, no private right of action.
- Contains several carve-outs (e.g., certain CBAs, national security, etc.) and a severability clause.
- Effective July 1, 2027.


California Capitol Dome

SB 951 by Senator Eloise Gómez Reyes (D-Colton) — Employment: technological displacement: notice

- Revises Cal/WARN Act notice requirements when mass layoffs, relocations, or terminations are caused in whole or in substantial part by an artificial intelligence (AI) system or other automated technology replacing or automating employment positions.
- Such notice must include:
  A. The number, classification or occupation, and work location of layoffs that are substantially due to the replacement or automation by AI or other automated technology.
  B. The job functions performed by those replaced workers that will be automated by AI or other automated technology.
  C. The specific category or type of AI system or other automating technology that substantially resulted in technological displacement.
  D. The statement “This notice is for a technology displacement” at the top of the notice.
- Requires the EDD to publish a summary of the notices on its website and to post a quarterly statewide summary of technological displacements reported.
- Requires the EDD, by January 1, 2028, to submit a report (one time) to the Legislature on AI’s effects on business hiring practices, including its impact on industries and occupations at the state and regional level.


California Capitol Dome

SB 1050 by Senator Angelique Ashby (D-Sacramento) — False advertising: synthetic performers

- SB 1050 provides that it is unlawful to create and publish an advertisement that prominently features a synthetic performer without a clear and conspicuous disclosure.
- The disclosure must be substantially similar to "this performance features a synthetic performer" or "no human performer is depicted."
- "Synthetic performer" means a figure, voice, or representation created in whole or in part with generative AI that realistically appears to be a human performance but is not recognizable as any identifiable real person.
- Exclusions:
  - ✓ Ads for expressive works such as films, TV, streaming content, and video games, if the synthetic performer is used the same way as in the work itself.
  - ✓ Ads that use AI only for language translation of a human performer or for accessibility features.
- This bill does not restrict creating synthetic content or regulate ad content beyond the factual disclosure.


California Capitol Dome

SB 1111 by Senator Angelique Ashby (D-Sacramento) — Digital replicas

- SB 1111 extends the state's right-of-publicity and false-impersonation laws to AI-generated "digital replicas." For employers, it also removes a protection that applied when employees' likenesses appeared in company advertising.

- Under prior law, if an employee's photo or likeness appeared in the employer's ad and was "incidental and not essential," the law presumed the employer had not knowingly used it without consent. The bill eliminates that presumption.


California Capitol Dome

SB 1159 by Senator Christopher Cabaldon (D-Yolo) — Artificial intelligence: transparency and governance

- Specify that, for purposes of the California Public Records Act, the Bagley-Keene Open Meeting Act, the Ralph M. Brown Act, the Legislative Open Records Act, the Administrative Procedure Act, the California Coastal Act of 1976, and CEQA, “person,” “interested person,” “participant,” “member of the public,” and any other similar terms under each act referring to those who may engage with governmental agencies, do not include artificial intelligence, systems, autonomous agents, or robots, whether physical or digital.

- Authorizes governmental agencies to use a disclosure verification tool to determine if artificial intelligence is present. The bill would make findings and declarations related to these provisions.

- Prohibits a person from knowingly using artificial intelligence to falsely represent that a natural person appeared before, submitted information to, or otherwise engaged with a governmental agency.



California Capitol Dome

ATTORNEYS

Pasadena Bar Association • Founded 1917

Mizrahi Law
Mediation

ADR Services, Inc.
Your Partner in Resolution


California Capitol Dome

AB 2039 by Assemblymember Rick Chavez Zbur (D-Hollywood) — Attorneys

AB 2039 adds whistleblower protections in the legal profession, regulates loans that attorneys make to clients, and toughens penalties for "capping" (illegal client solicitation).

Whistleblower protection (new Bus. & Prof. Code § 6090.9)

- Prohibits employers, law firms, attorneys and anyone acting for them to retaliate against someone who, in good faith and with reasonable cause, discloses a violation of the State Bar Act, the Rules of Professional Conduct, or other laws governing attorney conduct.
- Employees, former employees, applicants, independent contractors, vendors, clients, and anyone else with a professional relationship to the attorney or firm are all protected.
- A report by an attorney is protected only if Rule 1.6 (client confidentiality) permits the disclosure.
- Courts must construe the law consistently with Labor Code §1102.5, and it does not reduce any rights under that statute.


California Capitol Dome

AB 2039 by Assemblymember Rick Chavez Zbur (D-Hollywood) — Attorneys (cont.)

Attorney-client loans (new Bus. & Prof. Code § 6149.6)

- Any loan or financial assistance to a client must be in a contract separate from the retainer agreement. It must state the total amount financed, repayment terms and contingencies, all fees, costs and charges, and any potential conflicts of interest.
- Attorneys may not charge interest on any loan or advanced funds, or use hidden fees or compounding structures.
- The attorney must advise the client in writing that they may seek independent advice.
- The client gets a cooling-off period of at least five business days, unless waived in writing after disclosure.
- The client must give informed written consent.
- Attorneys may not tie legal strategy, settlement decisions or continued representation to the loan, or use a loan to gain control over the client's claim.
- Violations carry restitution, rescission or reformation of the agreement, civil penalties of $15,000 per offense, injunctive relief, and State Bar discipline.


California Capitol Dome

AB 2039 by Assemblymember Rick Chavez Zbur (D-Hollywood) — Attorneys (cont.)

Capping and running

- Disbarment is required for a felony capping conviction, or a misdemeanor conviction where the licensee acted knowingly and for financial gain.
- The State Bar may not substitute lesser discipline.
- Capping now carries a civil penalty of $25,000 per violation, and each client retained or claim filed counts as a separate violation.
- The Attorney General, city attorneys and county counsel, may enforce this law and may recover fees if they prevail.
- These are in addition to existing criminal penalties and the existing private civil action.


California Capitol Dome

SB 574 by Senator Thomas Umberg (D-Santa Ana) — Attorneys, arbitrators, judicial officers, and alternative resolution providers

Among other things:

- Prohibits attorneys from delegating the practice of law to generative artificial intelligence (AI).
- Prohibits attorneys from entering confidential, personal identifying, and non-public information into AI unless its access is restricted to the attorney and persons authorized by the attorney under obligations to protect confidentiality.
- Requires attorneys to take reasonable steps to verify the accuracy of AI outputs and correct any errors or hallucinations.
- Requires attorneys to disclose the use of AI to the court for all documents submitted to the court.
- Requires the attorney to personally verify all citations in briefs, pleadings, motions, and other court filings.
- Prohibits an arbitrator from delegating any part of the decisionmaking process to AI.
- Prohibits an arbitrator from relying on information generated by AI outside the record without disclosure.
- Provides for private, confidential complaint handling for certified ADR providers.
- Contains an enforcement mechanism.


California Capitol Dome

SB 1129 by Senator Anna Caballero (D-Merced) — State Bar of California: community justice worker program

- The State Bar Act establishes the State Bar of California (State Bar) as a public corporation and assigns to the State Bar various duties with respect to the licensing and regulations of attorneys in the state.
- The Supreme Court of California issued an administrative order on June 17, 2026, directing the State Bar to circulate for public comment a proposed rule of court that, if adopted, would establish a community justice worker program.
- SB 1129 requires the State Bar, after it solicits public comment on the proposed rule, at the time it resubmits the proposal to the Supreme Court of California, to transmit to the Assembly and Senate Committees on Judiciary a report specifying any statutory changes the State Bar believes are necessary to implement the community justice worker program. The bill would repeal those provisions on January 1, 2031.



California Capitol Dome

CIVIL PROCEDURE

Pasadena Bar Association — Founded 1910

Mizrahi Law — Mediation

ADR Services, Inc. — Your Partner in Resolution


California Capitol Dome

AB 540 by Assemblymember Damon Connolly (D-San Rafael) — Civil actions and attorneys

- Provides that electronic service no longer extends statutory notice or response periods, including for filings of motions for summary judgment, noticed motions, discovery requests and responses, or any other document that may be served electronically.
- Clarifies the definition of a lawyer referral services to ensure that standard, sometimes mandatory, referrals of clients between attorneys do not subject an attorney to discipline or civil liability.
- Codifies the “first look” procedure for sensitive medical and personal records, allowing those records to be reviewed for privacy and relevance before they are turned over in response to a subpoena—applies only by stipulation of all parties.


California Capitol Dome

AB 1950 by Assemblymember John Harabedian (D-Pasadena) — Civil actions: mediation

- Creates a pilot program specifically authorizing the Superior Court of Los Angeles County to order cases into mediation even when the amount in controversy exceeds the current $75,000 limit, while keeping the other eligibility requirements in place.
- LASC to provide for up to three hours of free mediation through a court-sanctioned program, with remote appearances allowed.
- Prohibits a mediation so-ordered from delaying or serving as grounds to continue the trial date or otherwise to delay or continue any expedited procedures.
- LASC to provide annual reports to the Legislature starting by January 2028.
- These provisions repealed on January 1, 2032.


California Capitol Dome

AB 2290 by Assemblymember Tom Lackey (R-Palmdale) — Civil discovery: oral depositions: transcriptions

- Lays out protocols and procedures to allow for electronic deposition transcripts to serve as certified originals.
- Allows deposition officers or entities to provide original certified transcripts in electronic form when requested by the noticing attorney—it must be sent securely and in a format that ensures it is authentic and has not been altered.
- Allows the court to accept an electronic transcript as an original certified transcript if it has been properly formatted, stored, and transmitted and the presenting attorney certifies that it is true and correct.



California Capitol Dome

CIVIL RIGHTS DEPARTMENT

PASADENA BAR ASSOCIATION · FOUNDED 1917 ·

MIZRAHI LAW
Mediation

ADR SERVICES, INC.
Your Partner in Resolution


California Capitol Dome

SB 1237 by Senator Catherine Blakespear (D-Encinitas) — Civil Rights Department

- Existing law requires certain private employers to annually submit a pay data report to the Civil Rights Department that includes, among other information, the number of employees by race, ethnicity, and sex, as specified, and, within each job category, for each combination of race, ethnicity, and sex, the median and mean hourly rate.

- Upon request from the Department, existing law requires a court to impose a civil penalty not to exceed $100 per employee upon any employer who fails to file the required report and not to exceed $200 per employee upon any employer for a subsequent failure to file the required report.

- SB 1237 increases the penalty for subsequent failures to file the report described above to an amount not to exceed $1,000 per employee.

- Existing law authorizes the department to develop, publish on an annual basis, and publicize aggregate reports based on the data obtained pursuant to their authority under this section, provided that the aggregate reports are reasonably calculated to prevent the association of any data with any individual business or person.

- SB 1237 requires the department to annually publish the number of total pay data reports submitted, as provided and specified.


California Capitol Dome

CONTRACTS AND CONTRACTORS

PASADENA BAR ASSOCIATION FOUNDED 1912

MIZRAHI LAW *Mediation*

ADR SERVICES, INC. Your Partner in Resolution


California Capitol Dome

AB 1697 by Assemblymember Ash Kalra (D-San Jose) — Employment contracts: stay-or-pay provisions: contract date

- Through an urgency measure, provides employers with an additional year to structure their employment contracts to avoid "TRAPS" – training repayment agreement provisions (new effective date: 1/1/27).

- Adds exceptions for certain bonuses relating to specified recruitment and retention programs, and repayment obligations arising from advanced paid time off upon voluntary separation, as well as some affiliation contracts between a securities broker-dealer, insurance producer, or investment adviser and its agents or representatives that are registered and licensed if certain conditions are met.


California Capitol Dome

SB 342 by Senator Thomas Umberg (D-Santa Ana) — Contractors: unlicensed work

- SB 342 softens the "all-or-nothing" penalties for unlicensed contractor work under Business and Professions Code § 7031 for certain larger, non-consumer construction projects.

- Contractor suing for payment:
  - ✓ Prior Rule: The contractor had to be licensed at all times during performance, or it could recover nothing
  - ✓ New Rule: The contractor may sue if it was licensed when the contract was signed and during the part of the work it seeks payment for

- Owner recovering payments ("disgorgement"):
  - ✓ Prior Rule: The owner could recover all compensation paid to the unlicensed contractor
  - ✓ New Rule: The owner may recover only payments for work done while the contractor was unlicensed

- The contractor still bears the burden of proving licensure when it is disputed.



California Capitol Dome

CRIMINAL RECORDS AND INMATES

Mizrahi Law
Mediation

ADR SERVICES, INC.
Your Partner in Resolution



AI-generated illustration

SB 1342 by Senator María Elena Durazo (D-Los Angeles) — Criminal records: relief

- Under existing law, a person is eligible for arrest record relief if the arrest was for a misdemeanor offense and the charge was dismissed.

- On and after October 1, 2029, SB 1342 additionally makes a person eligible for that relief if the arrest was for a felony offense, all charges arising from the arrest were dismissed, one year has elapsed since the date on which the most recent charge arising from the arrest was dismissed, and no charge arising from the arrest was refiled or is pending during that period.

- In determining whether there is a pending criminal charge based on the department's records, the department to conclude that there is no indication of pending criminal charges if at least 3 years have elapsed with no new activity related to that record. The bill would require, in determining whether a person is currently serving a sentence for an offense, the department to conclude that the person is no longer serving a sentence if the department is unable to determine whether a sentence is complete and at least 7 years have passed since the date of conviction.


California Capitol Dome

SB 1012 by Senator Lola Smallwood-Cuevas (D-Los Angeles) — Employment of inmate

- Existing law establishes the California Conservation Camp program to provide for the training and use of the inmates and wards assigned to conservation camps in the furtherance of public conservation, including forest fire prevention and control.
- SB 1012 would additionally facilitate the admission of graduates of the California Conservation Camp program after release into state-approved apprenticeship programs for the construction craft laborer occupation.
- SB 1012 would state that successful participation in the program, beginning July 1, 2027, constitutes qualifying experience for a state-approved apprenticeship for the construction craft laborer occupation.
- It would require the department, in partnership with the Department of Forestry and Fire Protection, and the California Conservation Camp program to ensure that eligible individuals who successfully participate in the program receive a written certificate to ensure eligibility for state-approved apprenticeship programs for the construction craft laborer occupation.



California Capitol Dome

DAY CARE

Pasadena Bar Association · Founded 1917

Mizrahi Law
Mediation

ADR Services, Inc.
Your Partner in Resolution


California Capitol Dome

AB 2006 by Assemblymember Michelle Rodriguez (D-Ontario) — State government: office buildings: daycare centers

- Authorize on and after January 1, 2027, when the state constructs, acquires, or receives as a gift any office building that can accommodate state employees, or when additions, alterations, or repairs are made to any existing state-owned office building, and the additions, alterations, or repairs both change and affect the use of 25 percent of the net square foot area of the building and include addition to, alteration of, or repair of the first floor, priority to be given to licensed childcare providers that seek to contract with the Director of General Services (director) to use a part of the space as a daycare center. The bill would subject the use of the space as a daycare center to terms and conditions set forth by the director, including as to cost.

- Authorizes the director to secure other space not attached to a state-owned office building for use as a daycare center if funds are made available for those purposes and the director determines one of certain conditions exist. AB 2006 would also authorize existing state-owned office buildings to be retrofitted to accommodate a daycare center at the director's discretion, to the extent that state funds are made available for those purposes. AB 2006 would set forth priority for enrollment of children in daycare centers established pursuant to the bill's provisions.



California Capitol Dome

DISCRIMINATION

Mizrahi Law
Mediation

ADR SERVICES, INC.
Your Partner in Resolution


California Capitol Dome

AB 1803 by Assemblymember Josh Lowenthal (D-Long Beach) — Employment: sexual harassment training and education: anti-hate speech training

- Current law requires employers with 5 or more employees to provide training and education regarding sexual harassment to employees.
- Current law also requires employers to include prevention of abusive conduct as a component of that training and education.
- AB 1803 requires that, beginning January 1, 2028, the training include, anti-hate speech training.


California Capitol Dome

AB 2563 by Assemblymember Blanca Pacheco (D-Downey) — Sex discrimination: scope

- AB 2563 is deemed to be declarative of existing law.
- Creates consistency in the definitions of “sex discrimination” (including sex harassment) and “sex” across California’s various anti-discrimination laws—including the FEHA civil rights act.
- Broadly defines “sex discrimination” to include, among other things, discrimination based on any of specified actual or perceived characteristics or actions, including based on degree of conformity to sex or gender stereotypes.



California Capitol Dome

EDUCATION

Pasadena Bar Association Founded 1917

Mizrahi Law Mediation

ADR Services, Inc. Your Partner in Resolution


California Capitol Dome

AB 1928 by Assemblymember Mike Fong (D-Alhambra) — Sex equity: sexual harassment complaints

- Consistent with the federal Title IX of the Education Amendments, California's Equity in Higher Education Act requires the governing board or body of a postsecondary educational institution that receives state financial assistance to provide students with procedural protections relating to complaints of sexual harassment, including the requirement to adopt and publish on its internet website grievance procedures providing for the prompt and equitable resolution of sexual harassment complaints filed by a student against an employee or another student. Existing law requires that the grievance procedures afford both student parties the opportunity to each have a support person or adviser accompany the student party during any stage of the process.

- AB 1928 requires that the grievance procedures afford each student party the opportunity to have a support person and an advisor of their choice accompany the student party during any stage of the process.

- AB 1928 also requires the governing board or body of a postsecondary educational institution that receives state financial assistance and state student financial aid to allow each complainant or respondent of a sexual harassment complaint to have a support person, in addition to an advisor, accompany the parties of a sexual harassment complaint during the grievance procedures that provide for the prompt and equitable resolution of sexual harassment complaints pursuant to the above-described procedural protections for students or Title IX.


California Capitol Dome

AB 2212 by Assemblymember Rebecca Bauer-Kahan (D-Orinda) — Postsecondary education: sexual harassment, harassment, intimidation, and bullying policies: student training

- The Equity in Higher Education Act provides, among other things, that all students have the right to participate fully in the educational process, free from discrimination and harassment. Existing law provides that sexual harassment of students is a form of prohibited sex discrimination and defines terms for purposes of the Equity in Higher Education Act.

- Commencing August 1, 2027, AB 2122 would define additional terms for purposes of the act, including, among other terms, “digitized sexually explicit material,” “sextortion,” “technology-facilitated sexual harassment,” and “affirmative consent.” The bill would also revise the definitions of “sexual harassment” and “sexual exploitation,” and make conforming changes.


California Capitol Dome

SB 998 by Senator Lena Gonzalez (D-Long Beach) — Educational equity: discrimination prevention coordinators

- SB 998 requires the Office of Civil Rights to employ a Disability Discrimination Prevention Coordinator to be appointed by the Governor and confirmed by the Senate. The statute would change the title of the LGBTQ Discrimination Prevention Coordinator to instead be the LGBTQ+ Discrimination Prevention Coordinator to (1) develop, consult on, and provide discrimination education to teachers, staff, governing board and body members, administrators, and other local educational agency personnel to identify and proactively prevent discrimination, as provided, (2) provide technical assistance, upon specified request, to local educational agencies to access restorative justice resources, training, and practitioners, and (3) engage with local educational agencies to ensure administrators are equipped to address conflicts at an early stage with the goal of proactively resolving incidents of discrimination.

- Requires the Office of Civil Rights to employ a Deputy Coordinator on Anti-Black Racism, a Deputy Coordinator on Anti-Asian American, Native Hawaiian, and Pacific Islander (Anti-AANHPI) Discrimination, a Deputy Coordinator on Anti-Latino Discrimination, and a Deputy Coordinator on Anti-Native American Discrimination, and requires these deputy coordinators to report directly to the Race and Ethnicity Discrimination Prevention Coordinator. Require the Office of Civil Rights to provide resources and training on how to properly assist in cases of discrimination that involve the intersectionality of protected characteristics.



California Capitol Dome

FARM WORKERS

Pasadena Bar Association · Founded 1917

Mizrahi Law
Mediation

ADR Services, Inc.
Your Partner in Resolution


California Capitol Dome

AB 2646 by Assemblymember Maggy Krell (D-Sacramento) — Employment: minimum wages: agricultural workers

- AB 2646 sets a separate, higher minimum wage of $19.75 per hour for out-of-state temporary or seasonal agricultural workers (generally H-2A workers) and for California resident farmworkers who do the same work alongside them.



California Capitol Dome

LEAVES

Pasadena Bar Association Founded 1917

Mizrahi Law Mediation

ADR Services, Inc. Your Partner in Resolution


California Capitol Dome

SB 1149 by Senator María Elena Durazo (D-Los Angeles) — Employees: bereavement leave

- Expands bereavement leave protections under Government Code § 12945.7 by broadening the definition of “family member” to include a “designated person.”
- “Designated person” means any individual related to the employee by blood or whose association with the employee is the equivalent of a family relationship.
- This designated person may be identified by the employee at the time the employee requests the leave.
- An employer may limit an employee to one designated person per 12-month period for bereavement leave.



California Capitol Dome

MOTION PICTURE INDUSTRY

PASADENA BAR ASSOCIATION FOUNDED 1917

MIZRAHI LAW
Mediation

ADR SERVICES, INC.
Your Partner in Resolution


California Capitol Dome

SB 186 by Committee on Budget and Fiscal Review - Income taxes: film tax credits

- SB 186 expands the carry forward provisions of motion picture credit 2.0 and 3.0 to 15 years. It requires the qualified taxpayer, or a related company to be an active participant to carry the credit forward for any of the 10th through the 15th years. It also increases the total refundable amount under motion picture credit 4.0 from 90% to 95%, and makes the refund payable over 2 years instead of over 5 years. By increasing the amounts refunded from a continuously appropriated fund, the bill would make an appropriation.

- Existing law, for taxable years beginning on or after January 1, 2024, and before January 1, 2030, limits the total tax reduction by all business credits to $5,000,000 per taxable year. Existing law, for taxable years beginning on or after January 1, 2030, similarly applies a business credit limit of 70% of the total taxes imposed or $5,000,000, whichever is greater.

- SB 186, for taxable years beginning on or after January 1, 2027, exempts credits that have been sold from the business credit limit described above.

- It make legislative findings and declarations related to a gift of public funds.

- SB 186 declares that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.



California Capitol Dome

PUBLIC EMPLOYMENT

Pasadena Bar Association · Founded 1917

Mizrahi Law
Mediation

ADR Services, Inc.
Your Partner in Resolution


California Capitol Dome

SB 1330 by Senator Jesse Arreguín (D-Berkeley) — Assault and battery: utility workers

- Existing law defines an assault as an unlawful attempt, coupled with present ability, to commit a violent injury upon the person of another. Existing law defines a battery as any willful and unlawful use of force or violence upon the person of another. Under existing law, an assault or battery committed against specified professionals engaged in the performance of their duties, including peace officers, firefighters, and emergency medical personnel, is punishable by imprisonment in a county jail not exceeding one year, by a fine not exceeding $2,000, or by both that fine and imprisonment.

- SB 1330 makes an assault or battery committed against a utility worker, who is engaged in the performance of the utility worker's duties punishable by imprisonment in a county jail not exceeding one year, by a fine not exceeding $2,000, or by both that fine and imprisonment.



California Capitol Dome

PUBLIC WORKS

Pasadena Bar Association · Founded 1907

Mizrahi Law
Mediation

ADR Services, Inc.
Your Partner in Resolution


California Capitol Dome

AB 1198 by Assemblymember Matt Haney (D-San Francisco) — Public works: prevailing wages

- Current law requires workers on public works projects to receive at least the general prevailing per diem wage rate determined by the Director of Industrial Relations (DIR). Updated rates do not apply to contracts for which notice to bidders has been published, effectively locking rates.

- AB 1198 changes this framework for large public works projects (prime contracts valued at $35 million or more) beginning July 1, 2027, by applying qualifying new prevailing wage determinations to contracts awarded or for which notice to bidders is published after that date. It also moves DIR's rate-determination cycle from quarterly to semiannual and creates a petition-for-review process.



California Capitol Dome

SLAVERY

Pasadena Bar Association · Founded 1917

Mizrahi Law
Mediation

ADR Services, Inc.
Your Partner in Resolution


California Capitol Dome

AB 2599 by Assemblymember Isaac Bryan (D-Los Angeles) — Slavery: corporate disclosures

- AB 2599 – aka Truth in Disclosure Act -- requires large, long-established businesses to search their records for any historical ties to slavery and to disclose what they find in a sworn affidavit. None of its requirements take effect until the Legislature appropriates funding.

- AB 2599 covers businesses doing business in California that, directly or through a predecessor, existed on or before December 31, 1964, and have annual worldwide gross receipts above $100 million.

- The search must also cover "related entities": parents and subsidiaries doing business in California, and predecessors in interest even if they never did business in the state.

- Under penalty of perjury, the business must verify that it searched all records in its and its related entities' possession, control, and knowledge. The search is for evidence of buying or selling enslaved persons, using them as collateral, lending to purchase them, insuring them or such transactions, or otherwise facilitating those transactions.



California Capitol Dome

STATE HOLIDAYS

Pasadena Bar Association · Founded 1917

Mizrahi Law
Mediation

ADR Services, Inc.
Your Partner in Resolution


California Capitol Dome

AB 395 by Assemblymember Jesse Gabriel (D-Encino) — Holidays

- Starting with the 2027-2028 school year, requires school districts, county offices of education, and charter schools to consider making efforts to avoid scheduling the first day of class and high school graduations on dates that members of the public would be unable to participate or be present due to the ritual observance of a religious, cultural, or ancestral holiday.

- Starting with the 2027-2028 academic year, requires that community colleges and the California State University, and requests that the University of California, make good faith, reasonable efforts to avoid calendaring orientation, move-in day, final exam week, term beginnings/ends, and commencement ceremonies on a date it knows, or has reason to know, that members of the public would be unable to participate or be present due to the ritual observance of a religious, cultural, or ancestral holiday.

- Requires state and local agencies to make good faith, reasonable efforts to avoid conducting any meeting, conference, or other function on a date for which the state agency knows, or has reason to know, that members of the public would be unable to participate or be present due to the ritual observance of a religious, cultural, or ancestral holiday.

- State holidays include: Eid al-Adha, Eid al-Fitr, Feast of the Nativity, Maha Shivarti, the first and last days of Pesach/Passover, Rosh Hashanah, Yom Kippur, Diwali, and Dissehra.

- Allows a person who has suffered harm to bring a civil action for injunctive relief, with a specified procedure.


California Capitol Dome

AB 2156 by Assembly Speaker Robert Rivas (D-Salinas) and Senate President pro Tempore Monique Limón (D-Santa Barbara) – Holidays: Farmworkers Day

- Renamed Cesar Chavez Day, March 31, as Farmworkers Day.
- Urgency statute that took place effective immediately, on March 26, 2026.


California Capitol Dome

SB 1394 by Senator Lena Gonzalez (D-Long Beach) — State holidays: Cesar Chavez Day: Farmworkers Day

- Moved Farmworkers Day (formerly Cesar Chavez Day) from March 31 to April 10, Dolores Huerta's birthday.

- Replaced provisions regarding the March 31 holiday with the new Farmworkers Day on April 10, including with respect to holidays on which community colleges and public schools are authorized to close, provisions related to state employees, certain community college employees, and public school employees to instead apply to Farmworkers Day.

- Repeals the separate statutory designation of August 26 as California Farmworker Day.


California Capitol Dome

AB 2017 by Assemblymember Matt Haney (D-San Francisco) — State holidays: Eid

- Adds Eid al-Fitr and Eid al-Adha to the list of state holidays.
- Excludes them from designation as judicial holidays.
- Permits state employees to elect to receive eight hours of holiday credit to observe Eid in lieu of eight hours of personal holiday credit.
- Authorizes community colleges and public schools to close on these days.
- Authorizes public educational institutions to incorporate exercises celebrating the meaning and importance of those dates.


California Capitol Dome

AB 2294 by Assemblymember Tri Ta (R-Westminster) — State holidays: Sylvia Mendez Day

- Adds April 14, Sylvia Mendez Day, to the list of state holidays under Gov't Code § 6700.
- Excludes it from designation as a judicial holiday.


California Capitol Dome

AB 1841 by Assemblymember James Ramos (D-San Bernardino) — State holidays: Native American Day

- Upon appropriation by the Legislature, entitles state employees to a paid holiday on the fourth Friday in September, known as "Native American Day."
- Allows state bargaining units to negotiate for it to be a paid holiday.



California Capitol Dome

SURVEILLANCE

PASADENA BAR ASSOCIATION FOUNDED 1917

MIZRAHI LAW
Mediation

ADR SERVICES, INC.
Your Partner in Resolution


California Capitol Dome

AB 1331 by Assemblymember Sade Elhawary (D-South Los Angeles) — Workplace surveillance

- AB 1331 makes is unlawful for an employer to use a workplace surveillance tool to monitor or surveil employees in a workplace bathroom (unless directed by a court order). That said, employees have the right to leave workplace surveillance tools on their person or in their possession outside the bathroom before entering.
- Employees required by federal or existing state law to remain available during meal or rest periods may be required to keep tools on their person. Employers may check surveillance tools only for a one-time bathroom entry and exit.
- This bill authorizes the Labor Commissioner to enforce the bill's provisions and authorizes a public prosecutor to bring specified enforcement actions. The bill also subjects an employer who violates the bill to a civil penalty of up to $500 for each violation.
- Effective January 1, 2027.


California Capitol Dome

AB 1883 by Assemblymember Isaac Bryan (D-Los Angeles) — Workplace surveillance tools

- AB 1883 prohibits employers from using AI-powered workplace surveillance tools on employees to recognize, infer, or predict emotional states or collect neural data. This bill targets emotion recognition and brain- or nervous-system data collection while permitting surveillance tools without those features.

- This bill does not bar a workplace surveillance tool used to ensure safety. It also includes narrow exemptions for specific federal compliance contexts (such as aircraft development in national airspace or products/services for national security, military, space, or defense purposes where legally required.

- This bill authorizes the Labor Commissioner to enforce the bill's provisions and authorizes a public prosecutor to bring specified enforcement actions. The bill also subjects an employer who violates the bill to a civil penalty of up to $500 for each violation.

- Effective January 1, 2027.



California Capitol Dome

WAGE AND HOUR

Mizrahi Law
Mediation

ADR SERVICES, INC.
Your Partner in Resolution


California Capitol Dome

SB 1316 by Senator Lola Smallwood-Cuevas (D-Los Angeles) — Employment

- SB 1316 makes three main changes to the Labor Code with the intended goal of to help collect final wage awards and to stop employers from withholding records during an investigation and then using them later to contest the result.
  - ✓ It lets the Labor Commissioner renew real property liens that secure wage awards. This is an alternative to a judgment lien. The lien can be renewed for additional 10-year periods at any time before it expires.
  - ✓ It broadens the rule that bars employers from using payroll and employment records they failed to produce on request. Some exceptions apply such as:
    - Court ruling following employer's challenge.
    - Inadvertent error.
    - Discretionary extensions (subject to reasonable extension requests).
    - Labor Commissioner may admit late-produced records if employe. cooperated, substantially complied on time, and made good-faith efforts to comply.
    - A timely, good-faith response saying more time is needed earns an automatic 15-day extension for standard requests.
  - ✓ It also adds a similar records-preclusion rule for public works prevailing wage proceedings.


California Capitol Dome

AB 2078 by Assemblymember Chris Rogers (D-Santa Rosa) — Employees: meal periods: stationary engineers

- Existing law generally prohibits an employer from employing an employee for a work period of more than 5 hours per day without providing the employee with a meal period of not less than 30 minutes. Existing law creates exceptions from this prohibition for employees in specified occupations, including employees of an electrical corporation, a gas corporation, a water corporation, or a local publicly owned electric utility covered by a valid collective bargaining agreement meeting certain conditions. Existing law charges the Labor Commissioner with enforcement of these provisions.

- AB 2078 creates an exception from the above-described prohibition for employees who perform building maintenance work as a stationary engineer, as defined, covered by a valid collective bargaining agreement meeting certain conditions.



California Capitol Dome

WORKPLACE VIOLENCE

Mizrahi Law
Mediation

ADR
SERVICES, INC.
Your Partner in Resolution


California Capitol Dome

AB 2179 by Assemblymember Darshana Patel (D-San Diego County) — Workplace violence: restraining orders

AB 2179 makes procedural changes to workplace violence restraining orders under Code of Civil Procedure § 527.8, mainly allowing remote hearings and electronic filing starting January 1, 2028.

Key changes (operative January 1, 2028)

- **Remote appearances:** Any party or witness may appear remotely at the hearing on a workplace violence restraining order petition.
- **No remote fee:** Courts may not charge a fee for remote appearances.
- **Court rules:** Each county's superior court must develop rules and instructions for remote appearances and post them on its website. The Judicial Council must adopt the forms and rules needed to implement this by January 1, 2028.
- **Electronic filing:** Courts must accept electronic filings related to these protective orders.



California Capitol Dome

QUESTIONS

MIZRAHI LAW
Mediation

ADR SERVICES, INC.
Your Partner in Resolution



California Capitol Dome

Ramit Mizrahi, Esq.
Mizrahi Law, APC
35 N Lake Ave, Suite
710Pasadena, CA 91101
626.380.9000
ramit@mizrahilaw.com
www.mizrahilaw.com

Phyllis W. Cheng, Esq.
ADR Services, Inc.
550 S. Hope St., Suite 1000
Los Angeles, CA 90071
213.683.1600
pcheng@adrservices.com
hawardLAteam@adrservices.com
www.adrservices.com