

California Department of Industrial Relations
Office of the Director

2014 Legislative Report



December 2014

STATE OF CALIFORNIA

EDMUND G. BROWN JR.
Governor

LABOR AND WORKFORCE DEVELOPMENT AGENCY

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Introduction

This Legislative Digest is comprised of bills that were chaptered or vetoed during the second half of the 2013/2014 Legislative Session that will have, or would have had, some impact on the California Department of Industrial Relations (DIR).

The brief summaries do not purport to provide a complete description of the legislation or go into details of the measures. The summaries provide a brief overview of the intent of the bill.

Copies of the legislation referenced in this Digest, along with information such as legislative committee analyses, are available from the [website of the Legislative Counsel of California](#).

The chaptered bills become effective January 1, 2015, unless they contain an urgency clause, in which case they became effective immediately upon the Governor's signature. Alternatively, some measures specify their effective date.

For additional information regarding these measures, please contact Victoria Hassid in the Director's Office at DIRPLO@dir.ca.gov or call 510-286-7087.

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Chaptered Assembly Bills

Signed:

[AB 26](#) (Bonilla, Chapter 864, Statutes of 2014) Construction: prevailing wage.

[AB 326](#) (Morrell, Chapter 91, Statutes of 2014) Occupational safety and health: reporting requirements.

[AB 1035](#) (John A. Pérez, Chapter 15, Statutes of 2014) Workers' compensation: firefighters and peace officers.

[AB 1522](#) (Gonzalez, Chapter 317, Statutes of 2014) Employment: paid sick days.

[AB 1634](#) (Skinner, Chapter 497, Statutes of 2014) Occupational safety and health: violations.

[AB 1680](#) (Wilk, Chapter 232, Statutes of 2014) Child Performer Services Permit.

[AB 1723](#) (Nazarian, Chapter 886, Statutes of 2014) Employees: wages.

[AB 1746](#) (Alejo, Chapter 156, Statutes of 2014) Workers' compensation: proceedings: expedited hearings.

[AB 1870](#) (Alejo, Chapter 890, Statutes of 2014) Public works: prevailing wage: multiemployer apprenticeship program grants.

[AB 1897](#) (Roger Hernández, Chapter 728, Statutes of 2014) Labor contracting: client liability.

[AB 1939](#) (Daly, Chapter 161, Statutes of 2014) Public works: prevailing wages: contractor's costs.

[AB 2074](#) (Roger Hernández, Chapter 211, Statutes of 2014) Recovery of wages: liquidated damages.

[AB 2146](#) (Skinner, Chapter 811, Statutes of 2014) Occupational safety: firefighters: personal protective equipment.

[AB 2230](#) (Cooley, Chapter 76, Statutes of 2014) Insurance: Workers' Comp Bond Fund: assessments.

[AB 2272](#) (Gray, Chapter 900, Statutes of 2014) Public works: prevailing wage.

[AB 2288](#) (Roger Hernández, Chapter 96, Statutes of 2014) Child Labor Protection Act of 2014.

[AB 2536](#) (Mullin, Chapter 343, Statutes of 2014) Employees: emergency rescue personnel.

[AB 2732](#) (Committee on Insurance, Chapter 217, Statutes of 2014) Workers' compensation.

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[AB 2743](#) (Committee on Labor and Employment, Chapter 210, Statutes of 2014) Employment: wages.

[AB 2744](#) (Committee on Labor and Employment, Chapter 297, Statutes of 2014) Public works: apprenticeship program.

[AB 2751](#) (Roger Hernández, Chapter 79, Statutes of 2014) Retaliation.

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Chaptered Senate Bills

Signed:

[SB 193](#) (Monning, Chapter 830, Statutes of 2014) Hazard evaluation system and information service.

[SB 266](#) (Lieu, Chapter 916, Statutes of 2014) Prevailing wages.

[SB 268](#) (Gaines, Chapter 18, Statutes of 2014) Health care districts: public contracts: design-build.

[SB 315](#) (Lieu, Chapter 392, Statutes of 2014) Contractors.

[SB 477](#) (Steinberg, Chapter 711, Statutes of 2014) Foreign labor contractors: registration.

[SB 777](#) (Hernandez, Chapter 6, Statutes of 2014) Horse racing: workers' compensation.

[SB 785](#) (Wolk, Chapter 931, Statutes of 2014) Design-build.

[SB 854](#) (Committee on Budget and Fiscal Review, Chapter 28, Statutes of 2014) State and local government.

[SB 1087](#) (Monning, Chapter 750, Statutes of 2014) Farm labor contractors.

[SB 1299](#) (Padilla, Chapter 842, Statutes of 2014) Workplace violence prevention plans: hospitals.

[SB 1300](#) (Hancock, Chapter 519, Statutes of 2014) Refineries: turnarounds.

[SB 1304](#) (Committee on Judiciary, Chapter 71, Statutes of 2014) Maintenance of the codes.

[SB 1360](#) (Padilla, Chapter 72, Statutes of 2014) Compensation: rest or recovery periods.

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Vetoed Bills (Assembly and Senate Bills)

Vetoed:

[AB 1586](#) (Holden) Public contracts: hiring: priority consideration.

[AB 2052](#) (Gonzalez) Workers' compensation.

[AB 2271](#) (Ian Calderon) Employment: discrimination: status as unemployed.

[AB 2378](#) (Perea) Workers' compensation: temporary disability payments.

[AB 2616](#) (Skinner) Workers' compensation: hospital employers: compensation.

[SB 792](#) (Padilla) Administrative regulations: corrosion prevention and mitigation projects.

[SB 923](#) (Pavley) Educational apprenticeships: Educational Apprenticeship Innovation Act: EdPrize.

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Bills by Division

Note: Governor's signing messages appear where available.

Division of Apprenticeship Standards

SIGNED

[AB 1870](#) (Alejo, Chapter 890, Statutes of 2014) Public works: prevailing wage: multiemployer apprenticeship program grants.

This bill changes the allocation of training contributions to multiemployer apprenticeship programs from the California Apprenticeship Council (CAC). Currently, if there are two or more approved multiemployer apprenticeship programs serving the same craft or trade and county for which training contributions were made to the CAC, the grant is divided among those multiemployer apprenticeship programs in that county. This bill instead splits the grant among all multiemployer apprenticeship programs serving the same craft or trade in all the counties according to the number of apprentices from each county registered in each program.

VETOED

[SB 923](#) (Pavley) Educational apprenticeships: Educational Apprenticeship Innovation Act: EdPrize. (VETOED)

This bill would enact the Educational Apprenticeship Innovation Act. Under this act, school districts, county offices of education, charter schools, and community college campuses could compete for a grant, known as the Educational Apprenticeship Innovation Prize (EdPrize), whose purpose would be to promote apprenticeships, pre-apprenticeships, and career pathways among local educational agencies, institutions of higher education, and businesses of importance to local economies.

[Governor's Veto Message](#): I am returning Senate Bill 923 without my signature. This bill would create the Educational Apprenticeship Innovation Prize (EdPrize), a competitive grant program that would be administered by the California Department of Education to promote apprenticeship, pre-apprenticeship and career pathways between local schools, community colleges, and local businesses. While the bill is intended to provide EdPrize applicants special consideration under the California Career Pathways Trust, it instead creates a new and duplicative program that does not have an appropriation. I share the author's sentiments about the importance of apprenticeship programs. The state has invested \$500 million dollars over the past two years to fund the Career Pathways Trust. This investment of public funds encourages partnerships between K-12 schools, community colleges and the business community, and includes apprenticeship programs. I strongly encourage apprenticeship

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programs to apply for the \$250 million that is currently available. Sincerely, Edmund G. Brown Jr.

Division of Labor Standards Enforcement

SIGNED

[AB 26](#) (Bonilla, Chapter 864, Statutes of 2014) Construction: prevailing wage.

This bill adds to the definition of ‘construction on a public work’ to include cleanup work during post-construction phases of public works projects for the purposes of California prevailing wage law.

[AB 1522](#) (Gonzalez, Chapter 317, Statutes of 2014) Employment: paid sick days.

This bill creates the Healthy Workplaces, Healthy Families Act of 2014, which provides that as of July 1, 2015, employees shall accrue compensated sick leave to care for themselves or for family members as defined in the bill. Under this bill, employers shall provide up to 24 hours (i.e., three days) of paid sick leave each year. The law extends anti-discrimination and anti-retaliation protections for workers who assert rights under this bill.

[AB 1680](#) (Wilk, Chapter 232, Statutes of 2014) Child Performer Services Permit.

Currently, any person who represents or provides specified services for artists who are minors (under 18 years of age) must obtain a Child Performer Services Permit issued by the Labor Commissioner. This bill provides that if a holder of a Child Performer Services Permit advertises, the advertisement must include the holder’s permit number on any print, electronic, or other form of media, including internet websites.

[AB 1723](#) (Nazarian, Chapter 886, Statutes of 2014) Employees: wages.

Under current law, when an employer violates minimum wage laws, the Labor Commissioner has authority to issue a citation, and to include in that citation: (1) unpaid wages, (2) liquidated damages owed to the employee, and (3) civil penalties. This bill also allows the Labor Commissioner’s citation to include waiting time penalties for the employee where the employer willfully failed to pay wages due when the employee left the job.

[AB 1939](#) (Daly, Chapter 161, Statutes of 2014) Public works: prevailing wages: contractor’s costs.

Under current law, when a contractor incurs liability for failure to pay prevailing wages on a project determined after the date of the bid to be a public work, the contractor may, under specified circumstances, sue the public awarding authority that failed to identify the project as a public work to recover the contractor’s increased costs. This bill authorizes a similar suit by a contractor against a private hiring party or developer that failed to notify the contractor that a

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project is a public work subject to prevailing wages. The bill authorizes the contractor to recover from the hiring party the difference between the wages actually paid to an employee and the increased wages that were required to be paid to the employee, in addition to any penalties or other sums required to be paid (including costs and attorney's fees), because the project was subsequently deemed to be a public work subject to prevailing wage requirements.

AB 2074 (Roger Hernández, Chapter 211, Statutes of 2014) Recovery of wages: liquidated damages.

This bill clarifies that the statute of limitations applying to minimum wage claim violations is the same as the statute of limitations applying to liquidated damages for those same claims.

AB 2272 (Gray, Chapter 900, Statutes of 2014) Public works: prevailing wage.

This bill amends the prevailing wage law by revising the definition of "public works" to include infrastructure project grants from the California Advanced Services Fund, which is administered by the California Public Utilities Commission (CPUC). The CPUC utilizes this fund to expand broadband access to unserved and underserved households in California.

AB 2288 (Roger Hernández, Chapter 96, Statutes of 2014) Child Labor Protection Act of 2014.

This bill clarifies that the statute of limitations for a minor employee to bring a claim for wages due does not start counting down until the minor reaches legal adulthood (18 years of age). The bill also enhances the remedies available to those minors and stiffens applicable penalties. Existing law provides a statute of limitations of three years for a person to bring a claim based on statutory law which includes labor violations claims. This bill clarifies that the statute of limitations for claims arising from a Labor Code violation committed against a minor would not begin until the minor has become an adult. Finally, this bill provides that for violations of specific Labor Code sections where there is an imminent danger to minor employees or a substantial probability that death or serious physical harm would result therefrom, in cases where the minor employee is 12 years old or younger, the penalty for such a violation would be no less than \$25,000 and no more than \$50,000.

AB 2536 (Mullin, Chapter 343, Statutes of 2014) Employees: emergency rescue personnel.

Current law provides employment protections for specified emergency rescue personnel who serve in emergency duty. Employers are prohibited from discharging these employees or discriminating against them should they take time off to perform emergency duties. This bill expands the definition of emergency rescue personnel to include health care personnel who are also members of disaster medical response teams. Employees who are health care providers, as defined, would be required to notify their employer when they become designated as an emergency rescue personnel member and at the time they are deployed.

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**[AB 2743](#) (Committee on Labor and Employment, Chapter 210, Statutes of 2014)
Employment: wages.**

Current law sets the penalty for willful failure to pay wages due after an employee is discharged or quits as the employee's daily wage for every day the employee is not paid up to a maximum of 30 days after employment has ended. This bill corrects a drafting error to specify that this penalty would apply to employers who willfully did not pay employees employed at a venue that hosts live theatrical or concert events if the employee enrolled in or found employment through a hiring hall or other system of regular short-term employment established under a collective bargaining agreement.

[AB 2744](#) (Committee on Labor and Employment, Chapter 297, Statutes of 2014) Public works: apprenticeship program.

A 2012-13 budget trailer bill transferred enforcement of specific apprenticeship employment standards on public works projects from the Division of Apprenticeship Standards (DAS) to the Division of Labor Standards Enforcement (DLSE). This bill aligns enforcement of these transferred apprenticeship requirements and procedures with existing procedures used by DLSE for issuing and contesting penalty assessments and contractor debarments for prevailing wage violations on public works projects.

[AB 2751](#) (Roger Hernández, Chapter 79, Statutes of 2014) Retaliation.

In 2013, the Legislature created a right of action for employees suffering from unfair immigration-related practices retaliating against workers who exercised their rights under the Labor Code (AB 263, Chapter 732, Statutes of 2013). This bill makes minor clarifying changes to that legislation stating that the authority of a court to order suspension of a business license for such unlawful practices is limited to the specific location or locations where the unlawful practice occurred. This bill clarifies that civil penalties for violations of California's anti-discrimination and retaliation statutes are to be awarded to the aggrieved employee(s) rather than to the state.

[SB 266](#) (Lieu, Chapter 916, Statutes of 2014) Prevailing wages.

Under current law, when there is a determination that a project is a public work, an awarding body filing a notice of completion of the project must also provide notice to the Labor Commissioner. This bill would require the awarding body for the public work contract to furnish a valid notice of completion for the project upon written request from the Labor Commissioner, rather than automatically. Under the bill, the period for service of assessments shall not begin until the Labor Commissioner receives the notice of completion.

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SB 268 (Gaines, Chapter 18, Statutes of 2014) Health care districts: public contracts: design-build.

This bill authorizes the Last Frontier Health Care District to use design-build contracts when it constructs a building or makes other improvements directly related to a hospital or other health facility at Modoc Medical Center.

SB 315 (Lieu, Chapter 312, Statutes of 2014) Contractors.

Under current law, the California Contractors State Licensing Board (CSLB) must initiate disciplinary action against a licensed contractor that has engaged in a willful or deliberate Labor Code violation. The CSLB must take such action within 30 days of being notified by the Labor Commissioner. This bill would lengthen that mandate to 180 days. This bill would also grant CSLB's enforcement division free access to all places of labor when they are participating in investigations conducted by the Joint Enforcement Strike Force (JESF) on the underground economy.

SB 477 (Steinberg, Chapter 711, Statutes of 2014) Foreign labor contractors: registration.

In an effort to prevent human trafficking and exploitation of foreign workers by abusive foreign labor contractors, this bill creates a registration system for foreign labor contractors in the Business and Professions Code, to be administered and enforced by the Labor Commissioner. This bill requires foreign labor contractors to register with the Labor Commissioner on and after July 1, 2016. To register as a foreign labor contractor applicants must provide information as specified, and obtain a surety bond as specified. This bill also requires foreign labor contractors to provide full and fair disclosure of working conditions to foreign workers. Failure to register or violation of the bill's provisions results in civil penalties as specified.

SB 785 (Wolk, Chapter 931, Statutes of 2014) Design-build.

This bill repeals several statutes authorizing certain state and local agencies to use the design-build procurement process for specified public works projects and replace them with one set of standards and procedures for the Department of General Services and the California Department of Corrections and Rehabilitation and another set for local agencies.

SB 854 (Committee on Budget and Fiscal Review, Chapter 28, Statutes of 2014) State and local government.

The "budget trailer bill" creates a new public works contractor registration program to replace the prior Compliance Monitoring Unit) and Labor Compliance Program. The bill restructures funding for the administration and enforcement of prevailing wage requirements on public works projects by the Department of Industrial Relations and makes related changes to project monitoring requirements. Specifically, it replaces current funding mechanisms (project-by-

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project billings on bond-funded and other projects, employer assessments, and general fund) with a uniform annual registration fee paid by public works contractors. This new program requires all contractors and subcontractors to pay an initial registration and (thereafter a renewal) fee if they intend to bid or perform work on public works projects. Registrants will be subject to certain requirements. Contractors and subcontractors can register as of July 1, 2014, and the requirement to register takes effect March 1, 2015.

[SB 1087](#) (Monning, Chapter 750, Statutes of 2014) Farm labor contractors.

This bill modifies the licensure requirements and duties for farm labor contractors in an effort to prevent sexual harassment in the industry. The changes include an increase in the farm labor contractor license fee and a requirement that a farm labor contractor cannot have committed sexual harassment of an employee in the past three years. This bill would also require farm labor contractors to disclose to the Labor Commissioner whom they employed as supervisors and documentation of their payroll size.

[SB 1360](#) (Padilla, Chapter 72, Statutes of 2014) Compensation: rest or recovery periods.

This bill clarified legislation passed in 2013 extending prohibitions against employers requiring employees to work during recovery periods mandated by statute, regulation, standard or an Industrial Welfare Commission order. This law clarifies that a recovery period (commonly known as a “cool down” period) shall be counted as hours worked and that employers shall not deduct wages should employees take a recovery period break.

VETOED

[AB 2271](#) (Calderon, Ian) Employment: discrimination: status as unemployed. (VETOED)

This bill would restrict employers, employment agencies, and persons who operate an Internet website from posting job advertisements that indicate an individual's current employment is a requirement for a job. This bill would also prohibit these groups from asking job applicants about their current employment status. The restrictions the bill imposes would not apply if there are bona fide occupational qualifications that require asking about an applicant's current employment. Individuals aggrieved of the prohibitions under this bill could file a claim with the Labor Commissioner, who may then issue civil penalties against violators.

[Governor's Veto Message](#): I am returning Assembly Bill 2271 without my signature. This bill would prohibit an employer from discriminating against job applicants based on the applicant's status as unemployed. While I support the intent of this bill, it could impede the state's efforts to connect unemployed workers to prospective employers as currently drafted. The problems facing our state's long term unemployed are great. There is no doubt that those Californians want to get back to work and I want to help them get there – unfortunately this bill does not provide the proper path to address this problem. For these reasons I am unable to sign this bill.
Sincerely, Edmund G. Brown Jr.

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Division of Occupational Safety and Health

SIGNED

[AB 326](#) (Morrell, Chapter 91, Statutes of 2014) Occupational safety and health: reporting requirements.

This law modernizes reporting requirements for employers reporting serious injury, illness or death. Under existing law, employers must report such incidents immediately via telephone or telegraph. This law provides that employers may also report such incidents via email and removes the option to report via telegraph.

[AB 1634](#) (Skinner, Chapter 497, Statutes of 2014) Occupational safety and health: violations.

Under current law, Cal/OSHA issues citations to employers found in violation of workplace safety regulations under Title 8 of the California Code of Regulations. Cal/OSHA may include an order to abate in a citation to an employer and under the current scheme an employer may receive financial credit or a modified penalty for abatement under certain circumstances before they have actually abated. This bill prohibits the Division of Occupational Safety and Health (DOSH, also known as Cal/OSHA) from granting a proposed modification to civil penalties for abatement or credit for abatement unless DOSH has verified abatement upon subsequent inspection or the employer has submitted a statement along with supporting evidence to the division, verifying abatement in accordance with existing law. In addition, the bill prohibits DOSH from granting such a penalty modification unless the signed statement and supporting evidence are received within 10 days after the end of the period fixed for abatement. Under current law, an employer receives a stay on abatement during the pendency before the Occupational Safety and Health Appeals Board. The bill eliminates the option for a stay or suspension of an abatement period during the pendency before the Appeals Board of a petition for reconsideration of a citation for a violation that is classified as a serious violation, repeat serious violation, or willful serious violation. Instead, this bill authorizes the Appeals Board to stay or suspend an order to abate, upon petition by the employer, if the employer demonstrates that a stay or suspension will not adversely affect employee health and safety.

[AB 2146](#) (Skinner, Chapter 811, Statutes of 2014) Occupational safety: firefighters: personal protective equipment.

This bill requires the Department of Industrial Relations to convene an advisory committee by January 1, 2016, to evaluate whether changes are needed to align certain safety orders relating to personal protective clothing and equipment for firefighters with standards promulgated by the National Fire Protection Association (NFPA). The advisory committee will be composed of a cross-section of the fire protection industry and community, comprised of labor and management and those knowledgeable about firefighter personal protective equipment and

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firefighting practices generally. The committee shall present its findings to the Occupational Safety and Health Standards Board (OSHSB) by July 1, 2016, and require OSHSB, no later than July 1, 2017, to determine whether changes to the safety orders or other applicable standards and regulations are necessary to align them with the NFPA standards. OSHSB would be required by July 1, 2018, and every five years thereafter, to complete a comprehensive review of all revisions to NFPA standards pertaining to personal protective equipment.

SB 193 (Monning, Chapter 830, Statutes of 2014) Hazard evaluation system and information service.

This bill provides that the Chief of the Hazard Evaluation System and Information Service (HESIS) may obtain information from chemical manufacturers, distributors, and others about customers to whom they have sold products that may pose a serious new or unrecognized health hazard to employees. The Chief of HESIS may make such findings in consultation with the Director of the Department of Industrial Relations and the Chief of the (DIR) of Environmental and Occupational Disease Control in the State Department of Public Health.

SB 1299 (Padilla, Chapter 842, Statutes of 2014) Workplace violence prevention plans: hospitals.

This bill requires the Occupational Safety and Health Standards Board to adopt standards developed by the Division of Occupational Safety and Health (DOSH) requiring certain hospitals to adopt a workplace violence prevention plan, including certain criteria as specified, as part of these hospitals' injury and illness prevention plan (IIPP) by July 1, 2016. The bill requires DOSH to post an annual report on the internet, by January 1, 2017, containing information regarding violent incidents at hospitals, as specified.

SB 1300 (Hancock, Chapter 519, Statutes of 2014) Refineries: turnarounds.

The bill adds new occupational safety requirements for refineries specifically addressing "turnarounds" ("turnarounds" are when a refinery closes a portion of their plant for maintenance). This bill requires refinery employers in California to annually report to the Division of Occupational Safety and Health (DOSH) a schedule of "turnaround" maintenance periods planned for the following calendar year. This bill requires refineries to submit specific documents and reports detailing the current maintenance and structural issues of the unit in the refinery where the turnaround will be conducted, the planned work to be done during the turnaround, and any related documents requested by DOSH. Refineries must also flag maintenance and repairs that they are deferring to a later turnaround period. Lastly, the bill expands the definition of "trade secret" as applied to this information and provides a process for public disclosure of information submitted.

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[Governor's Signing Message](#): I am signing Senate Bill 1300, which requires petroleum refineries to annually report scheduled shutdowns, and other infrastructure and maintenance information, to state safety inspectors. This measure will significantly enhance public safety and oversight. The author has committed to introduce clean up legislation next year and work with stakeholders to clarify the public disclosure process to ensure that this law does not authorize petroleum refineries to collect attorney's fees from individuals or organizations seeking those records. I fully support those efforts. This law does not require any information to be reported to the Division of Occupational Safety and Health until September 15, 2015, which provides time to make the necessary changes. Sincerely, Edmund G. Brown Jr.

Division of Workers' Compensation

SIGNED

[AB 1035](#) (John A. Pérez, Chapter 15, Statutes of 2014) Workers' compensation: firefighters and peace officers.

This bill, in effect until January 1, 2019, extends the time period to file a case with the Workers' Compensation Appeals Board (WCAB) to collect workers' compensation death benefits from 240 weeks from the date of injury to no later than 420 weeks from the date of injury, but in no event more than one year after the date of death, provided the following conditions are met: the proceedings are brought by or on behalf of a person who was a dependent of the injured worker on the date of death; the death was due to cancer, tuberculosis, a blood-borne infectious disease or methicillin-resistant *Staphylococcus aureus* skin infection; and the injured worker was a public safety employee (primarily firefighters or peace officers) for whom the specified disease is statutorily presumed to be occupational.

[Governor's Signing Message](#): Last year, in vetoing AB 1373, I expressed concern in enacting legislation prior to the availability of more research and fiscal data on the risks of death from cancer and other job related diseases on firefighters. The results of the National Institute for Occupational Safety and Health study on mortality and cancer incidence on US firefighters and now available for review and provide better data on the fiscal impacts of this bill. Importantly, a review of this data anticipates that fewer than 20 cases a year throughout the state would be affected if the provisions only apply to diseases diagnosed during active service. Therefore, I am signing AB 1035 to extend the time period to file a claim for workers' compensation benefits from 240 weeks to 420 weeks after date of injury, and to require a claim to be filed within one year after the date of death. The bill has been drafted to apply only if the date of injury is during active service, as defined in Section 5412 of the Labor Code, and also contains a sunset date to allow us to examine additional data collected by the Division of Workers' Compensation before reauthorizing the statute. Sincerely, Edmund G. Brown Jr.

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[AB 1746](#) (Alejo, Chapter 156, Statutes of 2014) Workers' compensation: proceedings: expedited hearings.

This bill requires that workers' compensation cases in which an unrepresented employee who is or was employed by an illegally uninsured employer be placed on the priority conference calendar at the Workers' Compensation Appeals Board (WCAB). Under existing law, a WCAB priority conference – a monitoring process to expeditiously move cases to resolution – was limited to cases where the employee was represented by counsel. A priority conference must be held within 30 days after a declaration of readiness to proceed is filed in the case and must resolve issues involving whether the injured worker was actually an employee or whether the injury is work related.

[AB 2230](#) (Cooley, Chapter 76, Statutes of 2014) Insurance: Workers' Comp Bond Fund: assessments.

This bill allows the California Insurance Guaranty Association (CIGA), beginning January 1, 2015, to levy an assessment of up to two percent (2%) of direct written premiums for the payment of covered claims and expenses. The bill prohibits CIGA from making further special bond assessments after all currently authorized bonds have been issued and redeemed. The bill also requires that any premium adjustments for a workers' compensation insurer applicable to the special bond assessments continue to be made and determined, and that any credits or charges resulting from the premium adjustments be credited or charged to the workers' compensation assessments that the insurers are otherwise required to pay CIGA.

[AB 2732](#) (Committee on Insurance, Chapter 217, Statutes of 2014) Workers' compensation.

This bill makes technical, non-substantive, and clarifying changes to several Labor Code provisions amended or enacted by SB 863 (De León, Chapter 363, Statutes of 2012) and removes one obsolete provision. This bill: (1) deletes the effective date of March 1, 2014, for the requirement that interpreters for workers' compensation medical treatment visits be certified; (2) allows the Independent Medical Review (IMR) application to be two pages to allow room for additional relevant information; (3) provides that medical-legal expense costs may be recovered through the filing of a lien; (4) clarifies that an employer must reimburse a lien claimant who is entitled to a filing or activation fee reimbursement; and (5) recognizes as declarative of existing law that a lien assignment is valid if completed prior to January 1, 2013, or if required by a contract that became enforceable prior to January 1, 2013. The bill also deletes references relating to proceedings for vocational rehabilitation, which has been repealed since 2009.

[SB 777](#) (Hernandez, Chapter 6, Statutes of 2014) Horse racing: workers' compensation.

This bill extends Horse Racing Law provisions that expired on January 1, 2014. These provisions required a thoroughbred racing association that conducts a racing meeting to deduct

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a specified percentage of the total amount handled in “exotic” pari-mutuel betting pools for the purpose of defraying costs of workers’ compensation insurance for trainers and owners. (Generally, any wager requiring a player to correctly select the finishing position of more than one horse, i.e., a “daily double,” an exacta, or trifecta, is considered an “exotic” bet.) In addition to extending the law as applied to thoroughbred racing, the bill extends similar provisions to quarter horse racing, harness racing, and racing of any breed other than thoroughbreds at local fairs.

VETOED

[AB 2052](#) (Gonzalez) Workers’ compensation (VETOED)

The Labor Code establishes presumptions of industrial causation for certain illnesses and conditions that develop or manifest during the service period of safety officers who belong to specific classifications. This bill would extend these presumptions of industrial causation to *all* classes of full-time peace officers, and in some circumstances to part-time peace officers, as specified. Such individuals include persons whose work qualifies them as “peace officers” in specific situations and others who are not active in law enforcement. The illnesses covered by these presumptions (i.e., hernia, heart trouble, pneumonia, cancer, leukemia, tuberculosis, illness or death due to exposure to a biochemical substance, and meningitis) must develop or manifest themselves while the peace officer is actively employed in that field.

[Governor’s Veto Message](#): I am returning Assembly Bill 2052 without my signature. This bill expands the categories of peace officers that are eligible for worker’s compensation presumptions. Current workers’ compensation law provides coverage to certain categories of peace officers and firefighters for presumed compensable injuries. These presumptions, which include cancer, heart disease, pneumonia, hernia, bio-chemical illness, tuberculosis, and meningitis, were enacted in response to the types of hazards which these workers face. Over the course of many decades, California has expanded both the diseases and the kinds of safety employees which these presumptions cover. This measure seeks to expand coverage to dozens of additional categories of officers without real evidence that these officers confront the hazards that gave rise to the presumptions codified in existing law. Presumptions should be used rarely and only when justified by clear and convincing scientific evidence. Sincerely,
Edmund G. Brown Jr.

[AB 2378](#) (Perea) Workers’ compensation: temporary disability payments. (VETOED)

This bill would allow public safety officers and firefighters disabled by an occupational injury to successively collect salary continuation benefits (leave of absence for up to one year at full pay) for an occupational injury in addition to collecting temporary disability (TD) indemnity payments for up to 104 weeks. This bill would overturn the June 2013 decision by the California Court of Appeals in *County of Alameda v. WCAB (Knittel)* (2013) 213 Cal.App.4th 278, 78 Cal. Comp. Cases 81, which ruled that the period of salary continuation must be counted as part of the 104-

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week limit on TD benefits. This bill would make the ability to collect both benefits applicable to all claims, regardless of the date of injury.

[Governor's Veto Message](#): I am returning Assembly Bill 2378 without my signature. This bill provides that the right of certain fire and peace officers to a leave of absence for up to one year with full tax-free pay as a result of on-the-job disability would not offset or otherwise impinge on their right to up to 104 weeks of temporary disability benefits. This bill provides a benefit increase for a limited class of employees. The special considerations supporting salary continuation for public safety employees do not correspondingly support the expectation that these employees will need substantially more time than other injured workers to recover from their injuries. Sincerely, Edmund G. Brown Jr.

**[AB 2616 \(Skinner\) Workers' compensation: hospital employers: compensation.](#)
(VETOED)**

This bill would establish a statutory presumption that a methicillin-resistant staphylococcus aureus (MRSA) infection that develops in a hospital employee who provides direct patient care in an acute care hospital (either public or private) is work related. This presumption would extend to a hospital employee for a period of 60 days after termination. The bill also provides that if an employee develops a MRSA infection while employed at a hospital, the infection cannot be attributed to any prior existing disease or skin infection.

[Governor's Veto Message](#): I am returning Assembly Bill 2616 without my signature. This bill would create a first of its kind private employer workers' compensation presumption for a specific staph infection – methicillin-resistant *Staphylococcus aureus* (MRSA) – for certain hospital employees. California's no-fault system of worker's compensation insurance requires that claims must be "liberally construed" to extend benefits to injured workers whenever possible. The determination that an illness is work-related should be decided by the rules of that system and on the specific facts of each employee's situation. While I am aware that statutory presumptions have steadily expanded for certain public employees, I am not inclined to further this trend or to introduce it into the private sector. Some have reported that hospitals have intimidated nurses from filing valid worker's compensation claims for a work-related MRSA infection. Any such conduct would be reprehensible. I am therefore directing the Department of Industrial Relations to investigate and take whatever action is needed. Sincerely, Edmund G. Brown Jr.

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General: Department of Industrial Relations

SIGNED

[AB 1897](#) (Roger Hernández, Chapter 728, Statutes of 2014) Labor contracting: client liability.

This bill provides that an employer utilizing workers supplied by labor contractors for regular and customary work at the employer's worksites shares with the labor contractor all civil legal responsibility and civil liability for the payment of wages to the workers, and for failing to secure valid workers' compensation coverage. This bill would also prohibit the worksite employer (client employer) from shifting any legal duty or liability to provide a safe workplace for such workers to the labor contractor. This bill also states that any contractual waiver of its provisions is contrary to public policy and is void and unenforceable.

[SB 1304](#) (Committee on Judiciary, Chapter 71, Statutes of 2014) Maintenance of the codes.

This bill enacted non-substantive, technical amendments and corrections to the codes, including the Labor Code, to effectuate changes recommended by the Legislative Counsel for maintenance of the codes.

VETOED

[AB 1586](#) (Holden) Public contracts: hiring: priority consideration. (VETOED)

Existing law requires that specified contracts in amounts that exceed \$200,000, entered into by any state agency for services, contain a provision requiring the contractor to give priority vacancy-filling consideration for positions funded by the contract to qualified recipients of CalWORKs aid. This bill would also require the contract provision to include priority consideration, as defined, for qualified job applicants who are receiving or have exhausted entitlement to unemployment insurance benefits and residents of a targeted employment area, as defined.

[Governor's Veto Message](#): I am returning Assembly Bill 1586 without my signature. This bill requires state contractors, when hiring for specified positions, to consider all qualified applicants who are receiving unemployment benefits, who have exhausted unemployment benefits, or who live in a targeted employment area. As currently drafted, this bill lacks clarity as to what exactly employers must do to be in compliance, making it very difficult to enforce. Additionally, the bill revives the targeted employment areas created under the Enterprise Zone Act, which was repealed last year, and does not effectively integrate the job posting and notification capability of the CalJOBS website managed by the Employment Development Department. Therefore, I am

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directing my Employment Development Department to work with the author on a bill that addresses these issues for consideration next year. Sincerely, Edmund G. Brown Jr.

SB 792 (Padilla) Administrative regulations: corrosion prevention and mitigation projects. (VETOED)

This bill would add Section 7109.5 to the Public Contract Code and require the Department of Industrial Relations, in consultation with the Department of Toxic Substances Control, to promulgate regulations establishing standards for corrosion prevention work on public projects. These regulations, which must be adopted on or before January 1, 2016, would require, among other things, use of certified personnel to apply protective coatings and linings on steel and concrete. For contracts awarded after January 1, 2017, contractors would have to comply with these regulations for work on public projects funded with state money. Certain work would be exempt from compliance with these regulations if performed by journeymen graduates or apprentices of programs approved by the Division of Apprenticeship Standards (DAS).

Governor's Veto Message: I am returning Senate Bill 792 without my signature. This bill directs the Department of Industrial Relations, in consultation with the Department of Toxic Substances Control, to adopt regulations, on or before January 1, 2016, to establish performance standards for corrosion prevention work on projects designated as public works. Unfortunately, the development of these standards is outside of the jurisdiction and expertise of these departments. Using industry accepted standards for corrosion prevention and worker safety on public infrastructure projects is good policy and procurement requirements should ensure that all workers are properly trained and certified to do this critical work. Therefore I am directing the Department of Industrial Relations to incorporate industry accepted standards for corrosion prevention training into the appropriate apprenticeship programs. I am also directing the department to work with the Standards Board to assess the adequacy of safety standards for workers engaged in corrosion prevention work and make necessary changes. Sincerely, Edmund G. Brown Jr.

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Labor Code Sections Amended

Note: all sections reference Labor Code unless otherwise specified.

Bill	Labor Code Section
<u>AB 26</u> (Bonilla, Chapter 864, Statutes of 2014) Construction: prevailing wage.	Amend Section 1720
<u>AB 326</u> (Morrell, Chapter 91, Statutes of 2014) Occupational safety and health: reporting requirements.	Amend Section 6409.1
<u>AB 1035</u> (John A. Pérez, Chapter 15, Statutes of 2014) Workers' compensation: firefighters and peace officers.	Amend Section 5406; Add and Repeal Section 5406.7
<u>AB 1522</u> (Gonzalez, Chapter 317, Statutes of 2014) Employment: paid sick days.	Amend Section 2810.5 and Add Article 1.5 (commencing with Section 245) to Division 2, Part 1, Chapter 1
<u>AB 1634</u> (Skinner, Chapter 497, Statutes of 2014) Occupational safety and health: violations.	Amend Sections 6319, 6320 and 6625
<u>AB 1680</u> (Wilk, Chapter 232, Statutes of 2014) Child Performer Services Permit.	Amend Section 1706
<u>AB 1723</u> (Nazarian, Chapter 886, Statutes of 2014) Employees: wages.	Amend Section 1197.1
<u>AB 1746</u> (Alejo, Chapter 156, Statutes of 2014) Workers' compensation: proceedings: expedited hearings.	Amend Section 5502
<u>AB 1870</u> (Alejo, Chapter 890, Statutes of 2014) Public works: prevailing wage: multiemployer apprenticeship program grants.	Amend Section 1777.5

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<u>AB 1897</u> (Roger Hernández, Chapter 728, Statutes of 2014) Labor contracting: client liability.	Add Section 2810.3
<u>AB 1939</u> (Daly, Chapter 161, Statutes of 2014) Public works: prevailing wages: contractor's costs.	Add Section 1784
<u>AB 2074</u> (Roger Hernández, Chapter 211, Statutes of 2014) Recovery of wages: liquidated damages.	Amend Section 1194.2
<u>AB 2146</u> (Skinner, Chapter 811, Statutes of 2014) Occupational safety: firefighters: personal protective equipment.	Add Section 147.4
<u>AB 2230</u> (Cooley, Chapter 76, Statutes of 2014) Insurance: Workers' Comp Bond Fund: assessments.	Amend Sections 1063.5 and 1063.74 of the Insurance Code
<u>AB 2272</u> (Gray, Chapter 900, Statutes of 2014) Public works: prevailing wage.	Amend Section 1720
<u>AB 2288</u> (Roger Hernández, Chapter 96, Statutes of 2014) Child Labor Protection Act of 2014.	Add Section 1311.5
<u>AB 2536</u> (Mullin, Chapter 343, Statutes of 2014) Employees: emergency rescue personnel.	Amend Section 230.3
<u>AB 2732</u> (Committee on Insurance, Chapter 217, Statutes of 2014) Workers' compensation.	Amend Sections 4600, 4610.5, 4903, 4903.07, 4903.8, and 5410.
<u>AB 2743</u> (Committee on Labor and Employment, Chapter 210, Statutes of 2014) Employment: wages.	Amend Section 203
<u>AB 2744</u> (Committee on Labor and Employment, Chapter 297, Statutes of 2014) Public works: apprenticeship program.	Amend Section 1777.1; Repeal and Add Section 1777.7

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<u>AB 2751</u> (Roger Hernández, Chapter 79, Statutes of 2014) Retaliation.	Amend Sections 98.6, 1019 and 1024.6
<u>SB 193</u> (Monning, Chapter 830, Statutes of 2014) Hazard evaluation system and information service.	Amend Section 147.2 and Government Code Section 6276.12
<u>SB 266</u> (Lieu, Chapter 916, Statutes of 2014) Prevailing wages.	Amends Section 1741.1
<u>SB 268</u> (Gaines, Chapter 18, Statutes of 2014) Health care districts: public contracts: design-build.	Add Health and Safety Code Section 32132.7
<u>SB 315</u> (Lieu, Chapter 392, Statutes of 2014) Contractors.	Amend Business and Professions Code Sections 7011.4, 7027.2, 7028, 7110.5
<u>SB 477</u> (Steinberg, Chapter 711, Statutes of 2014) Foreign labor contractors: registration.	Amend Business and Professions Code Sections 9998.1, 9998.6, and 9998.8; Add Sections 9998.1.5, 9998.2.5, 9998.10, and 9998.11; and to Repeal and Add Section 9998.2
<u>SB 777</u> (Hernandez, Chapter 6, Statutes of 2014) Horse racing: workers' compensation.	Amend Business and Professions Code Section 19605.75, Add Sections 19605.76, 19605.77 and 19605.78
<u>SB 785</u> (Wolk, Chapter 931, Statutes of 2014) Design-build.	Repeal Government Code Sections 14661 and 14661.1; Amend, repeal, and add Health and Safety Code Section 32132.5, Amend Public Contract Code Section 20209.14, add and repeal Article 6 (commencing with Section 10187) of Chapter 1 of Part 2 of Division 2 of, to add and repeal Chapter 4 (commencing with Section 22160) of Part 3 of Division 2 of, to repeal Sections 20133, 20175.2, 20193, 20301.5, and 20688.6 of, and to repeal Article 22 (commencing with Section 20360) of Chapter 1

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	of Part 3 of Division 2; Add Section 37.2 to the San Diego Unified Port District Act (Chapter 67 of the First Extraordinary Session of the Statutes of 1962), and to repeal Section 6 of Chapter 2 of the Second Extraordinary Session of the Statutes of 2009
SB 854 (Committee on Budget and Fiscal Review, Chapter 28, Statutes of 2014) State and local government.	Amend Sections 135, 1771.5, 177.1, 1776; Add Sections 1725.5, 1771.1 and 1771.4; Repeal and Add Sections 1771.3 and 1773.3 (partial listing)
SB 1087 (Monning, Chapter 750, Statutes of 2014) Farm labor contractors.	Amend Sections 1684, 1685, 1690, 1690.1, 1694, 1695, 1695.55, 1696.2, 1696.5 and 1697
SB 1299 (Padilla, Chapter 842, Statutes of 2014) Workplace violence prevention plans: hospitals.	Add Section 6401.8
SB 1300 (Hancock, Chapter 519, Statutes of 2014) Refineries: turnarounds.	Add Sections 7872 and 7873
SB 1304 (Committee on Judiciary, Chapter 71, Statutes of 2014) Maintenance of the codes.	Amends Sections 139.2, 139.5, 230.4, 1773.1, 2055, 4600, 5502 of the Labor Code and Amends Education Code Sections 8152, 8155 (partial listing)
SB 1360 (Padilla, Chapter 72, Statutes of 2014) Compensation: rest or recovery periods.	Amend Section 226.7