AMENDED IN ASSEMBLY JUNE 2, 2016

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AMENDED IN ASSEMBLY MARCH 30, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2757

Introduced by Assembly Members Gonzalez, Bonta, Cristina Garcia, and Roger Hernández (Principal coauthor: Senator Hall) (Coauthors: Assembly Members Burke, Calderon, Campos, Chiu, Chu, Gipson, Jones-Sawyer, Lopez, McCarty, Medina, Santiago, Mark Stone, Thurmond, and Ting) (Coauthors: Senators Allen, Beall, Block, Hancock, Lara, Leno, Liu,

and Mitchell)

February 19, 2016

An act to amend Section 554 of, and to add Chapter 6 (commencing with Section 857) to Part 2 of Division 2 of, the Labor Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 2757, as amended, Gonzalez. Agricultural workers: wages, hours, and working conditions.

Existing law sets wage, hour, meal break requirements, and other working conditions for employees and requires an employer to pay overtime wages as specified to an employee who works in excess of a workday or workweek, as defined, and imposes criminal penalties for the violation of these requirements. Existing law exempts agricultural employees from these requirements. Under existing law, the function of the Department of Industrial Relations is to, among other things,

foster, promote, and develop the welfare of the wage earners of California, to improve their working conditions, and to advance their opportunities for profitable employment.

This bill would remove the exemption for agricultural employees regarding hours, meal breaks, and other working conditions, including specified wage requirements, and would create a schedule that would phase in overtime requirements for agricultural workers, as defined, over the course of 4 years, from 2017 to 2020, 2019 to 2022, inclusive. Beginning January 1, 2020, 2022, the bill would require any work performed by a person, employed in an agricultural occupation, in excess of 12 hours in one day to be compensated at the rate of no less than twice the employee's regular rate of pay. Under the bill, these overtime pay provisions would be phased in from 2019 to 2022, inclusive, for employers who employ 25 or fewer employees. The bill would authorize the Governor to delay the implementation of these overtime pay provisions if the Governor also suspends the implementation of a scheduled state minimum wage increase, as specified. The bill would require the Department of Industrial Relations to update a specified wage order for consistency with these provisions.

The bill would create a state-mandated local program by including agricultural employees as a class of employees protected by criminal penalties under existing law.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 554 of the Labor Code is amended to 2 read:

554. (a) Sections 551 and 552 do not apply to cases of emergency or to work performed in the protection of life or property from loss or destruction, or to any common carrier engaged in or connected with the movement of trains. Nothing in this chapter shall be construed to prevent an accumulation of days of rest when the nature of the employment reasonably requires

1 that the employee work seven or more consecutive days, if in each 2 calendar month the employee receives days of rest equivalent to 3 one day's rest in seven. The requirement respecting the equivalent 4 of one day's rest in seven shall apply, notwithstanding the other 5 provisions of this chapter relating to collective bargaining 6 agreements, where the employer and a labor organization 7 representing employees of the employer have entered into a valid 8 collective bargaining agreement respecting the hours of work of 9 the employees, unless the agreement expressly provides otherwise. 10 (b) In addition to the exceptions specified in subdivision (a), 11 the Chief of the Division of Labor Standards Enforcement may, 12 when in his or her judgment hardship will result, exempt any 13 employer or employees from the provisions of Sections 551 and 14 552. 15 SEC. 2. Chapter 6 (commencing with Section 857) is added 16 to Part 2 of Division 2 of the Labor Code, to read: 17 18 CHAPTER 6. AGRICULTURE 19 20 857. This chapter shall be known and may be cited as the 21 Phase-In Overtime for Agricultural Workers Act of 2016. 22 858. The Legislature finds and declares all of the following: 23 (a) Agricultural employees engage in back-breaking work every 24 day. 25 (b) Few occupations in today's America are as physically demanding and exhausting as agricultural work. 26 (c) In 1938, the United States Congress enacted the federal Fair 27 28 Labor Standards Act of 1938 (29 U.S.C. Sec. 201 et seq.), which 29 excluded agricultural workers from wage protections and overtime 30 compensation requirements. 31 (d) It is the intent of the Legislature to enact the Phase-In 32 Overtime for Agricultural Workers Act of 2016 to provide any 33 person employed in an agricultural occupation in California, as 34 defined in Order No. 14-2001 of the Industrial Welfare 35 Commission (revised 07-2014) with an opportunity to earn 36 overtime compensation under the same standards as millions of 37 other Californians. 38 859. For purposes of this chapter, "employed in an agricultural 39 occupation" has the same meaning as in Order No.14-2001 of the

40 Industrial Welfare Commission (revised 07-2014).

860. Notwithstanding any other provision of law, including
 Chapter 1 (commencing with Section 500):

3 (a) (1)-Commencing-July 1, 2017, except as provided in 4 paragraph (2), January 1, 2019, any person employed in an 5 agricultural occupation shall not be employed more than nine and one-half hours in any one workday or work in excess of 55 hours 6 7 in any one workweek, unless the employee receives one and 8 one-half times that employee's regular rate of pay for all hours 9 worked over nine and one-half hours in any workday or over 55 10 hours in any workweek.

(2) This subdivision shall apply to an employer who employs
 25 or fewer employees commencing January 1, 2019.

(b) (1) Commencing January 1, 2018, except as provided in paragraph (2), January 1, 2020, any person employed in an agricultural occupation shall not be employed more than nine hours in any one workday or work in excess of 50 hours in any one workweek, unless the employee receives one and one-half times that employee's regular rate of pay for all hours worked over nine hours in any workday or over 50 hours in any workweek.

20 (2) This subdivision shall apply to an employer who employs
 21 25 or fewer employees commencing January 1, 2020.

22 (c) (1) Commencing January 1, 2019, except as provided in 23 paragraph (2), January 1, 2021, any person employed in an agricultural occupation shall not be employed more than eight and 24 25 one-half hours in any one workday or work in excess of 45 hours 26 in any one workweek, unless the employee receives one and 27 one-half times that employee's regular rate of pay for all hours 28 worked over eight and one-half hours in any workday or over 45 29 hours in any workweek.

30 (2) This subdivision shall apply to an employer who employs
 31 25 or fewer employees commencing January 1, 2021.

(d) (1) Commencing January 1, 2020, except as provided in
paragraph (2), January 1, 2022, any person employed in an
agricultural occupation shall not be employed more than eight
hours in any one workday or work in excess of 40 hours in any
one workweek, unless the employee receives one and one-half
times that employee's regular rate of pay for all hours worked over
eight hours in any workday or over 40 hours in any workweek.

39 (2) This subdivision shall apply to an employer who employs
 40 25 or fewer employees commencing January 1, 2022.

861. Except as set forth in Section 860 and subdivision (a) of
 Section 862, all other provisions of Chapter 1 (commencing with
 Section 500) regarding compensation for overtime work shall apply
 to workers in an agricultural occupation commencing January 1,
 2017.

6 862. (a) Beginning January 1, 2020, except as provided in 7 subdivision (c), January 1, 2022, and consistent with Section 510, 8 any work performed by a person, employed in an agricultural 9 occupation, in excess of 12 hours in one day shall be compensated 10 at the rate of no less than twice the employee's regular rate of pay. 11 (b) Consistent with Section 861, notwithstanding subdivision 12 (a) or Section 863, the other provisions of Section 510 shall be 13 applicable to workers in an agricultural occupation commencing 14 January 1, 2017. 2019.

(c) Subdivision (a) shall apply to an employer who employs 25
 or fewer employees commencing January 1, 2022.

17 863. (a) Notwithstanding Section 860 or 862, the Governor
18 may temporarily suspend scheduled phase in overtime requirements
19 set forth in subdivision (b), (c), or (d) of Section 860, or subdivision
20 (a) or (c) of Section 862 only if the Governor suspends scheduled
21 minimum wage increases pursuant to clause (i) of subparagraph
22 (A) of, and subparagraph (B) of, paragraph (3) of subdivision (d)
23 of Section 1182.12.

24 (b) If the Governor makes a final determination to temporarily 25 suspend scheduled phase in overtime requirements set forth in subdivision (b), (c), or (d) of Section 860 or subdivision (a) or (c) 26 27 of Section 862 for the following year, all implementation dates 28 applicable to those subdivisions Section 860 and subdivision (a) 29 of Section 862 that are suspended subsequent to the September 1 30 final determination date, consistent with clause (i) of subparagraph 31 (A) of, and subparagraph (B) of, paragraph (3) of subdivision (d) 32 of Section 1182.12, shall be postponed by an additional year, but 33 the full implementation of the overtime requirements set forth in 34 subdivision (b), (c), or (d) of Section 860 or subdivision (a) or (c) 35 of Section 862 shall in no event be later than January 1, 2022. The 36 Governor's temporary suspension under this section shall be by 37 proclamation.

38 (c) The Governor's authority to suspend the scheduled overtime

39 requirements under this section shall end upon the phase in of the

40 overtime requirements contained in subdivision (d) of Section-860,

1 860 or the phase in of the overtime requirements contained in

2 subdivision (c) of Section 862, or on January 1, 2022, whichever

3 comes first. (a) of Section 862.

4 864. The Department of Industrial Relations shall update Wage

5 Order No. 14-2001 to be consistent with this-chapter. chapter,

6 except that the Wage Order 14-2001 provision for payment of

7 double the employee's regular rate of pay for all hours worked

8 over eight hours on the seventh day of work in the workweek shall

9 continue to apply.

10 SEC. 3. No reimbursement is required by this act pursuant to

11 Section 6 of Article XIIIB of the California Constitution because

12 the only costs that may be incurred by a local agency or school

13 district will be incurred because this act creates a new crime or

14 infraction, eliminates a crime or infraction, or changes the penalty

15 for a crime or infraction, within the meaning of Section 17556 of

16 the Government Code, or changes the definition of a crime within

17 the meaning of Section 6 of Article XIII B of the California

18 Constitution.

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