AMENDED IN SENATE MAY 4, 2011 AMENDED IN SENATE APRIL 14, 2011

SENATE BILL

No. 389

Introduced by Senator Dutton

February 15, 2011

An act to amend Sections 512, 553, and 2699.5 of, to add Section 512.3 to, and to repeal Section 226.7 of, the Labor Code, relating to employment, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 389, as amended, Dutton. Employment: meal periods.

Existing law requires employers to provide meal periods and rest periods, as specified. Existing law requires an employer who fails to provide a meal period or a rest period to pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided. Under existing law, an employer who fails to provide a required meal period may be guilty of a misdemeanor.

This bill would provide that the maximum compensation an employee may receive for the employer's failure to provide a meal or rest period in a workday is one additional hour of pay. This bill would also provide that the payment of that additional one hour of pay per workday in which the employer failed to provide a meal period or a rest period would constitute compliance with any requirement to provide an employee with a meal period or rest period and is the exclusive remedy for that failure to provide a meal period or rest period and would no longer constitute a misdemeanor.

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This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

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

- SECTION 1. Section 226.7 of the Labor Code is repealed.

 SEC. 2. Section 512 of the Labor Code is amended to read:

 512. (a) An employer may not employ an employee for a work.
 - 512. (a) An employer may not employ 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, except that if the total work period per day of the employee is no more than 6 hours, the meal period may be waived by mutual consent of both the employer and employee. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.
 - (b) Notwithstanding subdivision (a), the Industrial Welfare Commission may adopt a working condition order permitting a meal period to commence after six hours of work if the commission determines that the order is consistent with the health and welfare of the affected employees.
 - (c) Subdivision (a) does not apply to an employee in the wholesale baking industry who is subject to an Industrial Welfare Commission wage order and who is covered by a valid collective bargaining agreement that provides for a 35-hour workweek consisting of five 7-hour days, payment of one and one-half times the regular rate of pay for time worked in excess of 7 hours per day, and a rest period of not less than 10 minutes every 2 hours.
 - (d) If an employee in the motion picture industry or the broadcasting industry, as those industries are defined in Industrial Welfare Commission Wage Order Numbers 11 and 12, is covered by a valid collective bargaining agreement that provides for meal periods and includes a monetary remedy if the employee does not receive a meal period required by the agreement, then the terms, conditions, and remedies of the agreement pertaining to meal

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periods apply in lieu of the applicable provisions pertaining to meal periods of subdivision (a) of this section, Section 512.3, and Industrial Welfare Commission Wage Order Numbers 11 and 12.

- (e) Subdivisions (a) and (b) do not apply to an employee specified in subdivision (f) if both of the following conditions are satisfied:
- (1) The employee is covered by a valid collective bargaining agreement.
- (2) The valid collective bargaining agreement expressly provides for the wages, hours of work, and working conditions of employees, and expressly provides for meal periods for those employees, final and binding arbitration of disputes concerning application of its meal period provisions, premium wage rates for all overtime hours worked, and a regular hourly rate of pay of not less than 30 percent more than the state minimum wage rate.
 - (f) Subdivision (e) applies to each of the following employees:
 - (1) An employee employed in a construction occupation.
 - (2) An employee employed as a commercial driver.
- (3) An employee employed in the security services industry as a security officer who is registered pursuant to Chapter 11.5 (commencing with Section 7580) of Division 3 of the Business and Professions Code, and who is employed by a private patrol operator registered pursuant to that chapter.
- (4) An employee employed by an electrical corporation, a gas corporation, or a local publicly owned electric utility.
- (g) The following definitions apply for the purposes of this section:
- (1) "Commercial driver" means an employee who operates a vehicle described in Section 260 or 462 of, or subdivision (b) of Section 15210 of, the Vehicle Code.
- (2) "Construction occupation" means all job classifications associated with construction by Article 2 (commencing with Section 7025) of Chapter 9 of Division 3 of the Business and Professions Code, including work involving alteration, demolition, building, excavation, renovation, remodeling, maintenance, improvement, and repair, and any other similar or related occupation or trade.
- (3) "Electrical corporation" has the same meaning as provided in Section 218 of the Public Utilities Code.

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(4) "Gas corporation" has the same meaning as provided in Section 222 of the Public Utilities Code.

- (5) "Local publicly owned electric utility" has the same meaning as provided in Section 224.3 of the Public Utilities Code.
- SEC. 3. Section 512.3 is added to the Labor Code, to read:
- 512.3. (a) An employer shall not require an employee to work during any meal or rest period mandated by Section 512 or an applicable order of the Industrial Welfare Commission.
- (b) If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided. The maximum compensation an employee may receive under this section for each workday is one additional hour of pay. Payment of this one additional hour of pay shall constitute compliance with any requirement to provide an employee with a meal period or a rest period and shall be the exclusive remedy for failure to provide a meal period or a rest period.
- SEC. 4. Section 553 of the Labor Code is amended to read:
 - 553. Except as provided in Section 512.3, any person who violates this chapter is guilty of a misdemeanor.
- 22 23 SEC. 5. Section 2699.5 of the Labor Code is amended to read: 24 2699.5. The provisions of subdivision (a) of Section 2699.3 25 apply to any alleged violation of the following provisions: 26 subdivision (k) of Section 96, Sections 98.6, 201, 201.3, 201.5, 27 201.7, 202, 203, 203.1, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 28 205.5, 206, 206.5, 208, 209, and 212, subdivision (d) of Section 29 213, Sections 221, 222, 222.5, 223, and 224, subdivision (a) of 30 Section 226, Sections 227, 227.3, 230, 230.1, 230.2, 230.3, 230.4, 31 230.7, 230.8, and 231, subdivision (c) of Section 232, subdivision 32 (c) of Section 232.5, Sections 233, 234, 351, 353, and 403, subdivision (b) of Section 404, Sections 432.2, 432.5, 432.7, 435, 33 34 450, 510, 511, 512, 512.3, 513, 551, 552, 601, 602, 603, 604, 750, 35 751.8, 800, 850, 851, 851.5, 852, 921, 922, 923, 970, 973, 976, 1021, 1021.5, 1025, 1026, 1101, 1102, 1102.5, and 1153, 36 37 subdivisions (c) and (d) of Section 1174, Sections 1194, 1197, 38 1197.1, 1197.5, and 1198, subdivision (b) of Section 1198.3, Sections 1199, 1199.5, 1290, 1292, 1293, 1293.1, 1294, 1294.1, 39 40 1294.5, 1296, 1297, 1298, 1301, 1308, 1308.1, 1308.7, 1309,

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- 1 1309.5, 1391, 1391.1, 1391.2, 1392, 1683, and 1695, subdivision
- 2 (a) of Section 1695.5, Sections 1695.55, 1695.6, 1695.7, 1695.8,
- 3 1695.9, 1696, 1696.5, 1696.6, 1697.1, 1700.25, 1700.26, 1700.31,
- 4 1700.32, 1700.40, and 1700.47, paragraphs (1), (2), and (3) of
- 5 subdivision (a) of, and subdivision (e) of, Section 1701.4,
- 6 subdivision (a) of Section 1701.5, Sections 1701.8, 1701.10,
- 7 1701.12, 1735, 1771, 1774, 1776, 1777.5, 1811, 1815, 2651, and
- 8 2673, subdivision (a) of Section 2673.1, Sections 2695.2, 2800,
- 9 2801, 2802, 2806, and 2810, subdivision (b) of Section 2929, and
- 10 Sections 3095, 6310, 6311, and 6399.7.
- SEC. 6. This act is an urgency statute necessary for the
- 12 immediate preservation of the public peace, health, or safety within
- 13 the meaning of Article IV of the Constitution and shall go into
- 14 immediate effect. The facts constituting the necessity are:
- 15 In order to address California's historically high unemployment
- 16 rate, reduce the number of employment-related lawsuits, and allow
- 17 businesses to return more people to work, it is necessary that this
- 18 act take effect immediately.