- Has in its employ in a managerial capacity any person who directly or indirectly controlled the wages, hours, or working conditions of the affected employees of the predecessor employer
- Is an immediate family member of any owner, partner, officer, or director of the predecessor employer or of any person who had a financial interest in the predecessor employer.

Change of Address

You must notify the Labor Commissioner in writing at least two weeks prior to any change(s) of address. Such notification is required as to each location not already listed on the Registration Certificate where employees will be engaged in garment manufacturing. Following receipt of written notice of change of address, the Labor Commissioner shall, without additional cost, issue an amended certificate listing the new address(es), unless the business of garment manufacturing cannot legally or safely be carried on at the proposed address(es). (CCR, Title 8, Chapter 6, Subchapter 8, Section 13637).

B. EMPLOYMENT OF MINORS

California has specific laws dealing with the employment of minors. Every minor (under the age of 18 who is still required to attend school) must have a permit to work issued by the minor's school. To obtain a Permit to Work and Employ, the minor's employer completes an "Intent to Employ" which the minor obtains from the school. The school then issues the Permit to Work and Employ, which the employer must keep on file and available for inspection. The permit will state the hours that the minor may work as well as any additional restrictions. An employer who employs a minor without a permit, can be fined $500 to $1,000 on the first violation.

A minor under the age of 16 may not work in a manufacturing establishment under any circumstances, including any non-manufacturing employment. Minors are also prohibited from working on materials that enter into the products of a manufacturing establishment. An employer who employs a minor under 16 in manufacturing can be fined $5,000 to $10,000 on the first violation.

A detailed outline of the state and federal child labor law requirements can be found in the DLSE booklet entitled "California Child Labor Laws 2000." A copy of the booklet can be obtained from our website at http://www.dir.ca.gov/dlse/DLSE-Publications.htm.

C. INDUSTRIAL HOMEWORK

Pursuant to Labor Code section 2651, it is strictly illegal for an employer to hire an employee to make, prepare, alter, repair, or finish any articles of wearing apparel - in whole or in part - in the home. The prohibition includes every process, either hand or machine, involved in the manufacture of any or all garments whether applied to fabric, textile, fur, leather, or leather substitute, or any other similar material. It is also illegal for a garment industry employer to distribute articles for use in industrial homework.

Every person, which includes manufacturers, contractors, jobbers and wholesalers, who employs an industrial homeworker, or who permits articles or materials owned by him, or under his custody or control to be taken to a home for manufacture by industrial homeworkers or who pays a person for the manufacture in a home of articles and materials by industrial homework is subject to fine of not less than $1000 and up to $30,000 or imprisonment. Upon a third conviction, the registration of the manufacturer

or owner of the goods will be suspended for a period not to exceed three years. Any goods, assembled or partially assembled, found in a homeworker's home, in transit to the home, or in the manufacturer's or contractor's possession, shall be confiscated and subject to forfeiture.

For additional information on industrial homework, see Labor Code Section 2650 - 2667 and Subchapter 7 of Title 8 of the California Code of Regulations commencing at Section 13600.

D. EMPLOYEE ACCESS TO PERSONNEL RECORDS

All employees have the right to have access to their own personnel record held by the employer. This includes those who are currently employed, those laid off with re-employment rights and those employees on a leave of absence. Terminated employees also have a right to inspect their own personnel record until the statute of limitations upon any claim they may have expires. The access to personnel records does not extend to applicants, union officials, designated agents, family members or any other person.

Employees may not see records of criminal investigations or letters of reference. The employee is permitted to see records that are used or have been used to determine the employee's qualifications for employment, promotion and salary increases, as well as those that may have been used to discipline or terminate the employee. All documents maintained in the employee's personnel file, with the exception of those documents listed above, are subject to inspection by the employee. The employer is only required to furnish copies of the documents that the employee has signed.

The employee may review the personnel file at a reasonable time that is mutually agreed upon by the employee and employer. The file must be made available during business hours and in the office where the personnel records are usually maintained. The employer may require the employee to inspect his or her file during the employee's free time and by appointment. The employer may monitor the inspection of the personnel file.

Cal/OSHA regulations require all employers to give employees access to their employee medical records. These records must be made available to the employee or representative designated by the employee. A certified collective bargaining agent is automatically treated as a designated employee representative without written authorization from the employee. These regulations apply to all employee exposure and medical records, and analysis pertaining to employees exposed to toxic substances or harmful agents.

For additional information on personnel records, see Labor Code Sections 432 and 1198.5. For medical records, there are very specific confidentiality provisions. Additional information can be found in Title 8 Code of Federal Regulation Section 3204 and the California Health and Safety Code Sections 25251-25253.

E. TOOLS AND UNIFORMS

The employer must provide and maintain, *without cost to the employee,* all of the tools necessary to perform the job, including, for example, needles, scissors, bobbins, sewing machines, etc. Only an employee who is paid at least twice the minimum wage may be required to provide and maintain hand tools and equipment customarily required by his or her trade.

When employers require uniforms to be worn by employees as a condition of employment, that uniform must be provided and maintained by the employer. The term "uniform" includes wearing apparel and accessories of distinctive design or color. Ordinary work clothes are not considered uniforms when the employees have free choice of what to wear. When the employer specifies the design or color or requires that an insignia be affixed, it is considered a uniform.

Employees may be asked to maintain employer-furnished uniforms when the uniforms require minimal time for care, e.g., uniforms made of a material requiring only washing and tumble or drip drying. Employers must maintain or provide a maintenance allowance for uniforms requiring ironing or dry cleaning, or uniforms requiring special laundering for heavy soil, or requiring patching and repairs due to the nature of the work.

An employer who is required to furnish personal protective clothing or equipment must also pay for that equipment.

For additional information see Section 9 of the applicable IWC Order.

F. INDEPENDENT CONTRACTORS

Individuals who are "independent contractors" are not considered employees for wage and hour purposes. The state agencies most involved with the determination of independent contractor status are the Employment Development Department, which is concerned with the employment-related taxes, and the Division of Labor Standards Enforcement, which is concerned with whether or not the wage, hour and workers' compensation insurance laws apply. There are other agencies, such as the Franchise Tax Board and the Employment Development Department, which also have regulations or requirements concerning independent contractors. Since different laws are involved, it is possible that the same individual will be considered an employee for purposes of one law and an independent contractor under another law. Because the potential penalties and liabilities are significant, if an individual is treated as an independent contractor and later found to be an employee, it is advisable that each such relationship be thoroughly researched before it is implemented.

For additional information see Labor Code Section 2750.5. Additional information concerning an individual's proper employment status can also be obtained by contacting the Employment Development Department's Employment Tax District Office.

V. OTHER EMPLOYEE BENEFITS

All California employers are required to provide certain mandated benefits to their employees. Employers may provide additional benefits, but these additional benefits may also be subject to certain requirements.

A. UNEMPLOYMENT INSURANCE

California participates in a joint federal/state unemployment insurance program, which is designed to reduce the impact of economic fluctuations and assist those persons who become unemployed through no fault of their own.

With few exceptions, all California employers are covered under the unemployment insurance law and must pay the appropriate unemployment insurance tax. A former employee will be ineligible for benefits if he or she is out of work for one of the following reasons:

- Voluntary quit without good cause;
- Discharge for willful misconduct; or
- Refusal of suitable work.

Employers are given the opportunity to respond to a claim for unemployment insurance by a former employee. Employers that disagree with the final determination on benefit payment have the right to appeal the determination.

For additional information contact the nearest Employment Development Department Office.

B. STATE DISABILITY BENEFITS/SICK LEAVE BENEFITS

Most California employees participate in the State Disability Insurance Plan (SDI), which they pay for through payroll deduction. Employers are required to give newly hired employees a copy of the SDI brochure, as well as provide claim forms when an employee is eligible to apply for benefits. Copies of the brochure and claim forms can be obtained from the Employment Development Department (EDD).

An employee who, on or after July 1, 2015, works in California for 30 or more days within a year from the beginning of employment, is entitled to paid sick leave. Employees, including part-time and temporary employees, will earn at least one hour of paid leave for every 30 hours worked. Accrual begins on the first day of employment or July 1, 2015, whichever is later (See Healthy Workplace Healthy Family Act of 2014 (AB1522) at http://www.dir.ca.gov/dlse/ab1522.html).

Order forms online from EDD at http://edd.ca.gov/Forms/default.asp, download and print forms from http://edd.ca.gov/Disability/DI_Forms_and_Publications.htm, order by calling toll free number or visiting local EDD offices listed at

http://edd.ca.gov/Disability/Contact_SDI.htm#byphone

C. HOLIDAYS

There is no legal requirement to provide employees with paid holidays. However, if you grant paid "personal" or "floating" holidays, they are treated in the same manner as vacation pay. Other paid holiday requirements are dependent on the employer's own policy.

Unless there is a contractual obligation or company policy to do so, it is not a legal requirement to pay overtime or premium pay for hours worked on a holiday.

D. VACATION

Paid vacations are not required by California law, but when it is provided, it is considered the same as wages and, therefore, once it is earned it cannot be forfeited. If an employer furnishes vacation

benefits, the employee earns and vests in the vacation benefit on a daily basis. The employer's policy, however, can determine the amount of vacation earned and when the vacation time may be taken. If an employee terminates his or her employment, all vacation pay earned, but not yet taken, must be paid to the employee at the time of the termination. "Use it or lose it" or forfeiture vacation pay requirements are not legal. For example, an employer's policy can provide that employees earn one week of vacation the first year of employment, but that vacation time cannot be taken until after the employee has completed one year of service. However, if the employee terminates his or her employment prior to that first anniversary date, the employer must pay the accrued vacation earned prior to termination. The employer cannot require that vacation pay be forfeited if the employee terminates. However, the employer can establish when employees take vacation while they are employed.

E. MEDICAL AND/OR LIFE INSURANCE

There is no requirement under California law to provide medical and/or life insurance benefits. However, if medical benefits are provided, the employer must give a 15-day notice if the benefits are to be discontinued. Medical and life insurance benefits are governed by federal law.

For additional information see Labor Code Section 2806 and contact the U.S. Department of Labor.

F. DISABILITY LEAVES OF ABSENCE

Work-Incurred Injuries

Under most circumstances, the injured employee must be provided a leave of absence as long as is required to get the employee back to work. It is not a requirement to pay the employee who is out due to a work-incurred injury or illness absence unless you provide those benefits to employees who are out on other medical disability leaves. Employees who are on work-incurred disability leaves will also receive whatever compensation is owed them through the workers' compensation insurance plan.

Additional information can be obtained by contacting your Workers' Compensation Insurance Carrier.

Pregnancy Disabilities

For employers with five (5) or more employees, all female employees who are unable to work due to pregnancy-related disabilities are entitled to up to four (4) months of pregnancy disability leave of absence. If you provide more than four months leave for other nonwork-incurred medical disabilities, the pregnancy disability leave must be no less than the amount allowed for those other medical disabilities.

A pregnancy disability leave of absence is only required when an employee is disabled because of a pregnancy-related condition. Leaves of absence for the birth or adoption of a child are available under the Family Rights Act. A pregnancy disability does not have to be compensated unless other non-work-incurred medical disability leaves of absence are compensated. While on pregnancy disability leave, an employee may use her earned, but unused, vacation and/or sick pay benefits, but she cannot be compelled to use those benefits if she does not wish to.

Effective January 1, 2012, it is illegal for an employer to refuse to maintain and pay for coverage for an eligible female employee who takes a pregnancy disability leave for the duration of the leave, not to exceed four months over the course of a 12-month period, at the level and under the conditions that coverage would have been provided if the employee had continued in employment continuously for the duration of the leave. An employer may pay for coverage under a group health plan beyond four months. An employer may recover from the employee the premium that the employer paid for maintaining coverage for the employee under the group health plan if both of the following conditions occur:

- The employee fails to return from leave after the period of leave to which the employee is entitled has expired.
- The employee's failure to return from leave is for a reason other than the continuation, recurrence, or onset of a health condition that entitles the employee to leave beyond the control of the employee.

An employee returning from a pregnancy disability leave of absence within the four (4) months allowed, must be returned to the same position she had prior to her leave of absence. (Also see "Family Leave.")

Additional information can on the website for the Department of Fair Employment and Housing (DFEH) at www.dfeh.ca.gov . Contact information for the DFEH including office locations is found at http://dfeh.ca.gov/Contact.htm . Information sheets and brochures on pregnancy disability leave, discrimination and the California Family Rights Act leave entitlement (see below) can be downloaded from http://www.dfeh.ca.gov/res/docs/Publications .

G. PERSONAL LEAVES OF ABSENCE

Personal leaves of absence are legally required in the following situations:

Family Leave

Under the California Family Rights Act (CFRA), employers with fifty (50) or more employees in any state of the United States must provide unpaid time off to take a CFRA leave for their own serious health condition, to care for a parent, spouse or child with a serious health condition, for the birth of a child for purposes of bonding, or for placement of a child in the employee's family for adoption or foster care; employees are entitled to twelve (12) work weeks during a 12-month period. This leave does not have to be compensated and does not have to be taken in consecutive days or weeks. If both parents are eligible for CFRA leave but are employed by the same employer, that employer may limit leave for the birth, adoption, or foster care placement of their child to twelve (12) work weeks in a 12-month period between the two parents.

Family care leave for the birth of a child may be taken in addition to the pregnancy disability leave. Employees who have taken the maximum four (4) months of pregnancy disability leave required by law are entitled to up to twelve (12) work weeks of family leave.

Jury Duty

All employers must provide leaves of absence for employees who serve on inquest or trial juries or who appear in court as a witness as required by law. The employee must give reasonable notice to the

employer. It is not a requirement to compensate employees for time off to serve on juries or to appear as a witness.

For additional information see Labor Code Section 230.

Victims of Domestic Violence or Sexual Assault

An employer with 25 or more employees may not discharge or in any manner discriminate or retaliate against an employee who is a victim of domestic violence or a victim of sexual assault for taking time off from work to attend to:

- Seeking medical attention for injuries
- To obtain services from a domestic violence shelter, program, or rape crisis center
- To obtain psychological counseling or
- To participate in safety planning and take other actions to increase safety from future domestic violence or sexual assault, including temporary or permanent relocation

For additional information see Labor Code section 230.1

Victims of Crimes

An employer must allow an employee who is a victim of a crime, an immediate family member of a victim, a registered domestic partner of a victim, or the child of a registered domestic partner of a crime to be absent from work in order to attend judicial proceedings related to that crime. The employee must give the employer a copy of the notice of each scheduled proceeding that is provided to the victim by the agency responsible, unless advance notice is not feasible. When advance notice is not feasible, the employer cannot take any action against the employee if the employee, within a reasonable time after the absence, provides the employer with documentation evidencing the judicial proceedings.

For additional information see Labor Code section 230.2.

Emergency Duty as a Volunteer Firefighter

All employers must provide leaves of absence for employees who are required to perform emergency duty as a volunteer firefighter. It is not a requirement that the employee be compensated during time off to perform emergency volunteer fire fighting duties.

For additional information see Labor Code Section 230.3.

Time Off to Appear at School When Required by the School

All employers must allow a parent or guardian of a pupil to appear at the school when the school has given advance notice. It is not a requirement that the employee be compensated for the time. The employee is required to give reasonable notice to the employer.

For additional information see Labor Code Section 230.7.

Time Off to Visit the School or Licensed Child Day Care Facility of a Child

Employers with twenty-five (25) or more employees working at the same location, must allow a parent or guardian to take up to forty (40) hours off per year to participate in activities at his or her child's school or licensed child day care facility, but no more than eight (8) hours in a calendar month. The employee must give reasonable notice to the employer. Employees must first utilize existing vacation, personal leave or compensatory time off for this purpose. The time off to visit school or licensed child day care facility is not required to be compensated, and the employer may require documentation from the school as proof that the employee participated in the planned activity.

For additional information see Labor Code Section 230.8

Sick Leave to Attend Family

Any employer who provides sick leave for employees must permit the employee to use in any calendar year the employee's accrued and available sick leave entitlement, in an amount not less than the sick leave that would be accrued during six months at the employee's then current rate of entitlement, to attend to an illness of a child, parent, spouse, or domestic partner of the employee. All conditions and restrictions place by the employer upon the use by an employee of sick leave also shall apply to the use by an employee of sick leave to attend to an illness of a family member. These conditions do not extend the maximum period of leave to which an employee is entitled under the federal Family and Medical Leave Act or the California Family Leave Act.

For additional information see Labor code section 233.

Time Off to Vote

If a voter does not have sufficient time to vote outside of working hours, he or she may take off time to vote at the beginning or the end of the shift, whichever provides the most free time to vote. The employee may take off no more than two hours without loss of pay, providing he or she has given at least two working days' notice that time off is desired.

For additional information see Election Code Section 14350.

Drug and/or Alcohol Rehabilitation

Employers with twenty-five (25) or more employees must reasonably accommodate an employee's voluntary participation in an alcohol and/or drug rehabilitation program, provided that this reasonable accommodation does not impose an undue hardship on the employer. "Reasonable accommodation" is interpreted to mean time off work, but such time does not require compensation. An employer must also make reasonable efforts to safeguard an employee's privacy with regard to his or her enrollment in a rehabilitation program. An employer may refuse to hire or may discharge an employee because of the employee's current use of alcohol and/or drugs, or because the employee is unable to perform his or her duties, or cannot perform the duties in a manner which would not endanger his or her health and safety, or the health and safety of others.

For additional information see Labor Code Section 1025 through 1028.

Literacy Assistance

Employers with twenty-five (25) or more employees must reasonably accommodate and assist any employee who reveals a literacy problem and requests employer assistance either in enrolling in a literacy assistance program or in arranging visits of an instructor to the jobsite, provided such accommodation does not pose an undue hardship on the employer. "Reasonable accommodation" is interpreted to mean time off work, but such time does not require compensation. In addition, the employer must make reasonable efforts to safeguard the employee's privacy with regard to a literacy problem. An employee who satisfactorily performs his or her duties may not be discharged for disclosing a literacy problem.

For additional information see Labor Code Sections 1041 through 1044.

H. TEMPORARY MILITARY LEAVE AND/OR RESERVE DUTY

Any employee who is a member of the Reserve Corps of the Armed Forces of the United States, the National Guard or the National Militia is entitled to a temporary leave while engaged in military duty ordered for purposes of military training, drills, encampment, naval cruises, special duty or like activity. Such temporary leave does not have to exceed seventeen (17) calendar days, including travel time, and does not have to be compensated.

For additional information see Military and Veterans Code Sections 394 and 394.5. Also see the federal laws pertaining to military leave and reinstatement.

I. SEVERANCE PAY

There is no requirement under California law to provide severance pay. If an employer does provide severance pay benefits, they are governed by federal law.

For additional information contact the U.S. Department of Labor.

J. PENSION PLANS

There is no requirement under California law to provide pension benefits. If pension benefits are provided by employers, they are governed by federal law.

For further information contact the U.S. Department of Labor.