

**VOTE NO ON SB 310 (Wiener)**

## **FLOOR ALERT**

**SB 310 (Wiener) – OPPOSE/COST DRIVER**

The California Chamber of Commerce, New Car Dealers Association, Western Growers Association, California Restaurant Association, the California Retailers Association, and the organizations listed below are strongly **OPPOSED** to **SB 310 (Wiener)**.

### **How SB 310 Undermines the 2024 PAGA Reform**

In 2024, this Legislature passed PAGA Reform in SB 92 (Umberg) and AB 2288 (Kalra). PAGA is a unique private right of action for wage and hour claims that had been abused by employment lawyers for decades. Those reforms included reducing penalties for employers who made good faith efforts to comply with the law, broadening PAGA's right to cure, and creating new processes through the LWDA and courts for early case resolution. The goal was to separate out good versus bad actors and encourage quicker resolution of claims.

**SB 310** would create a new private right of action for penalties under Labor Code section 210. Those penalties would apply to nearly every claim pled in a typical wage and hour case, and disregards any good faith efforts made by an employer to comply. **SB 310** undermines last year's reforms:

- Presently, Labor Code section 210 penalties may be collected through the Labor Commissioner wage claim process or through PAGA. There are many penalty statutes like this.
- Because of how often Labor Code section 210 penalties apply, it was critical to the business community that claims for those penalties through PAGA were also subject to the guardrails in the reforms like the penalty caps for taking reasonable steps to comply with the law, the right to cure, and the new LWDA process.
- If the Legislature instead chooses to enact **SB 310** to pull penalty sections like 210 out from under the PAGA umbrella and give them their own private right of action, it starts to render the PAGA reforms less effective and treats good actor employers the same as scofflaws. Attorneys can just go back to manipulating penalties to increase shakedown lawsuits.
- In fact, the LWDA has called out several law firms in the past year for continued litigation abuse.

**CALIFORNIA CANNOT AFFORD MORE LAWSUIT ABUSE**

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American Staffing Association

