

## UPDATE: California Labor Commissioner Amends Recently-Issued Guidance Regarding Wage Theft Prevention Act

January 4, 2012

Last week, we <u>reported</u> that the California Labor Commissioner issued a template "Notice to Employee" as required by the Wage Theft Prevention Act of 2011 (the "Act"), which went into effect January 1. The Act requires employers to furnish specified wage information to certain non-exempt employees at the time of their hire.

As we also pointed out, the Commissioner's "Frequently Asked Questions," published December 30, 2011, stated that the Notice (or the information contained therein) must be given to all current employees, despite the fact that the statute calls only for employers to provide such data to employees "at the time of hiring." We placed a call to the DLSE shortly after the FAQs were issued, and the agency responded yesterday by updating its Web site. The FAQs, now reflect that the information required under new Labor Code § 2810.5 need only be provided at the time of hiring and within 7 days of a change in such information, if the change is not listed on the employee's pay stub for the following pay period.

We expect the DLSE to encounter resistance from employers and their representatives even despite the issuance of the revised FAQs, as the agency's template arguably requires employers to disclose information beyond that mandated by the statute, such as the employer's business type (e.g., sole proprietorship, corporation, limited liability company, professional employer organization), whether there is an oral or written employment agreement, the employer's workers' compensation insurance policy number, and a statement that the employee's signature on the Notice "merely constitutes [an] acknowledgement of receipt." For now though, the template is available on the DLSE's Web site in Word and pdf forms.

Stay tuned to Proskauer's California Employment Law blog at <a href="mailto:calemploymentlawupdate.proskauer.com">calemploymentlawupdate.proskauer.com</a> for further developments on this important issue impacting California employers.

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