

Assembly Appropriations Committee  
LABOR & PERS

BILL	AUTHOR	SUBJECT/FISCAL EFFECT	
AB 20	Kalra	<p>Subject: CalPERS and CalSTRS report on divestment and the Dakota Access Pipeline.</p> <p>Requires, by April 1, 2018, the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) to file a report with the Legislature and the Governor that reviews investments in, and engagement of, companies constructing, or funding the construction of, the Dakota Access Pipeline (DAPL). This bill also requires CalPERS and CalSTRS to include factors related to tribal sovereignty and indigenous tribal rights in their consideration of environmental, social, and governance issues when selecting or rejecting investments.</p> <p>Fiscal:</p> <p>One time administrative costs of approximately \$50,000 total for CalPERS and CalSTRS to complete the studies, as required by this bill.</p>	
AB 83	Santiago	<p>Subject: Collective bargaining and Judicial Council.</p> <p>Applies the Ralph C. Dills Act (Dills Act) to certain specified employees of the Judicial Council, thereby providing collective bargaining rights to these employees.</p> <p>Fiscal:</p> <ol style="list-style-type: none"> <li>1) Annual General Fund (GF) costs in the range of \$540,000 to \$1.1 million for Judicial Council to establish and maintain labor and employee relations functions.</li> <li>2) To the extent that the bill results in salary or benefits increase resulting from collective bargaining, the bill could result in unknown increased ongoing employment costs.</li> </ol>	

AB 161	Levine	<p>Subject: Department of Finance identification of public retirement system infrastructure investments.</p> <p>Creates an infrastructure investment program through a partnership with the Department of Finance (DOF) and the California Public Employees' Retirement System (CalPERS).</p> <p>Fiscal:</p> <ol style="list-style-type: none"> <li>1) Significant ongoing costs to DOF in the range of \$1.0 million annually if DOF chooses to run the proposed program, as specified. DOF does not currently have the in-house expertise required to identify infrastructure projects that would generate sizable returns for CalPERS, and the hiring and retention of investment staff would be a major cost driver.</li> <li>2) Cost pressures on unidentified special funds. The bill specifies that, through the annual Budget Act, special fund dollars would be deposited into the California Fund to pay the guaranteed rate of return if infrastructure investments themselves do not produce them.</li> <li>3) Potential growth to the CalPERS portfolio if CalPERS chooses to invest in the projects identified by DOF and these investments generate a higher rate of return than alternative investments.</li> </ol>	
AB 199	Chu	<p>Subject: Prevailing wage requirements and successor agencies.</p> <p>Clarifies private residential projects built on private property are subject to certain prevailing wage requirements when they are built pursuant to an agreement with a redevelopment agency, or a successor agency that acts in that capacity.</p> <p>Fiscal:</p> <p>Ongoing annual costs of approximately \$350,000 for the Department of Industrial Relations (DIR) to review coverage determinations requests.</p>	

AB 263	Rodriguez	<p>Subject: Emergency medical services workers' rights and working conditions.</p> <p>Imposes new requirements related to the meal and rest periods of certain emergency medical services (EMS) employees and requires the EMS Authority (EMSA) to post an annual report on its website regarding violent incidents involving EMS providers.</p> <p>Fiscal:</p> <ol style="list-style-type: none"><li>1) Moderate costs for EMSA of approximately \$300,000 in 2017-18 and \$245,000 in 2018-19. These costs include additional staff required to comply with the proposed reporting requirement.</li><li>2) Minor and absorbable costs for the Department of Labor Standards and Enforcement (DLSE) and the Department of Occupational Safety and Health (DOSH).</li></ol>	
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AB 387	Thurmond	<p>Subject: Minimum wage for allied health workers.</p> <p>Broadens the definition of employer, under provisions related to the minimum wage, to include a person employing any person, engaged in supervised work experience to satisfy requirements for licensure, registration or certification as an allied health professional.</p> <p>Fiscal:</p> <ol style="list-style-type: none"> <li>1) Increased costs for the Department of State Hospitals (DSH) in the range of \$2.5 million to \$4 million (GF) to pay allied health trainees in 2018, with costs rising along with the statewide minimum wage. Costs across individual hospitals will vary based on their respective staffing arrangements.</li> <li>2) Administrative costs of approximately \$75,000 for the Department of Industrial Relations (DIR) to implement this bill and respond to a potential increase in wage claims.</li> <li>3) Indirect cost pressure to the state as a large payer of health care. Statewide, this bill is estimated to result in an increase in the aggregate wages earned by allied health trainees in the range of \$250 million to \$300 million in 2018. Given a significant share of state's population is enrolled in Medi-Cal, this magnitude of health system labor costs could result in an indirect, unknown but potentially significant ongoing cost pressure on the state Medi-Cal program (GF/federal). A similar indirect effect on the state's employee health care costs through California Public Employees Retirement System (CalPERS) is possible (various funds).</li> </ol>	
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AB 450	Chiu	<p>Subject: Requirements around immigration worksite enforcement actions.</p> <p>Imposes various requirements upon employers related to federal immigration worksite enforcement actions. In summary, this bill:</p> <ol style="list-style-type: none"> <li>1) Prohibits an employer from providing federal immigration enforcement agents access either to certain work areas without a properly executed warrant, except as otherwise provided by federal law, or to employee records without a subpoena.</li> <li>2) Requires an employer to provide certain notifications to an employee, or an employee’s representative, regarding federal immigration worksite enforcement actions or the results of those actions, and requires an employer to notify the Labor Commissioner of these actions within a defined timeframe.</li> <li>3) Prohibits employers from checking the employment eligibility of current employees, except as required by federal law, and requires them to notify Labor Commissioner before conducting these checks in instances when they have to as required by federal law.</li> <li>4) Prescribes penalties against employers for failure to satisfy the requirements and prohibitions, specified of \$10,000 to \$25,000 for each violation.</li> </ol> <p>Fiscal:</p> <p>Increased costs to the Division of Labor Standards and Employment (DLSE) in the range of \$6.5 million to \$11.5 million. While there is considerably uncertainty about the precise fiscal impacts of this bill, DLSE would likely need “on call” staff across the 17 DLSE regional offices as well as significant legal resources to review worksite incidents and potentially seek remedies in civil court.</p>	
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AB 512	Rodriguez	<p>Subject: Extension of disability retirement formula option.</p> <p>Removes the sunset provision related to industrial disability retirement benefit calculations for safety members of the California Public Employees Retirement System (CalPERS), who retire on or after January 1, 2013.</p> <p>Fiscal:</p> <p>Potential industrial disability retirement benefit costs of approximately \$6.3 million per year, with around half of these costs being for state safety members. These cost estimates are based on the impact of this policy on the total value of benefits between January 1, 2013 and June 30, 2015, and these costs represented 0.1% of payroll for affected members. Future costs may be lower depending on the number of industrial disability retirements that occur.</p>	
AB 530	Cooper	<p>Subject: Collective bargaining for peace officers.</p> <p>Extends the jurisdiction of the Public Employment Relations Board (PERB) to include resolving disputes regarding the statutory duties and rights of peace officers.</p> <p>Fiscal:</p> <p>Significant ongoing annual costs to PERB in the range of \$265,000 to \$1.2 million. The specific costs to PERB will depend on the number of disputes that will be subject to the jurisdiction of PERB. The primary cost drivers will be additional personnel years at the attorney, analyst, and administrative law judge level.</p>	

AB 569	Gonzalez Fletcher	<p>Subject: Employee reproductive health decisions.</p> <p>Prohibits an employer from interfering with an employee's right to make reproductive health care decisions. Specifically, this bill:</p> <ol style="list-style-type: none"> <li>1) Prohibits an employer from taking an adverse employment action against an employee based on his or her reproductive health care decisions, as defined.</li> <li>2) Prohibits an employer from requiring an employee to sign a code of conduct or similar document that purports to deny any employee the right to make his or her own reproductive health care decisions, as defined.</li> <li>3) Requires employers who provide an employee handbook to include notice of the employee's rights and remedies under the provisions of the bill.</li> </ol> <p>Fiscal:</p> <p>The costs of this bill depend on the number of claims that the Division of Labor Standards and Enforcement (DLSE) receives as a result of this bill. The number of new claims is expected to be modest, though there could be an influx of cases in initial years. For example, if there were 40 claims in the first year, and 15 claims each year thereafter, costs would be approximately \$360,000 in the first year and \$120,000 in subsequent years.</p>	
AB 579	Flora	<p>Subject: Firefighter pre-apprenticeship program.</p> <p>Requires the Division of Apprenticeship Standards (DAS) within the Department of Industrial Relations (DIR), in collaboration with the California Firefighter Joint Apprenticeship Committee (Cal-JAC) to develop a statewide firefighter pre-apprenticeship program (Program) designed to recruit candidates from underrepresented groups.</p> <p>Fiscal:</p> <p>One time transfer of \$300,000 from the General Fund (GF) to DAS for the purposes of funding the Program. Total costs for Cal-JAC and DAS to run the Program are not expected to exceed this amount.</p>	

AB 581	McCarty	<p>Subject: Recordkeeping requirements for apprenticeship programs.</p> <p>Imposes requirements on apprenticeship programs that receive grants from the California Apprenticeship Council (Council) in order to continue receiving funds. Specifically, this bill:</p> <ol style="list-style-type: none"> <li>1) States that an apprenticeship program will only be eligible to receive grant funds if the program agrees, prior to the receipt of funds, to keep adequate records that document the expenditure of funds and to make all records available to the Department of Industrial Relations (DIR).</li> <li>2) Requires DIR to verify that grants made are used solely to fund training apprentices.</li> <li>3) Provides that an apprenticeship program will not be eligible for future grants if the apprenticeship program is found to be using grant funds for purposes other than training programs.</li> </ol> <p>Fiscal:</p> <p>Moderate ongoing costs of approximately \$150,000 for DIR to verify grants and enforce the provisions of this bill, as required.</p>	
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AB 621	Bocanegra	<p>Subject: The Classified School Employees Summer Furlough Fund.</p> <p>Allows classified school employees who do not receive their salaries in 12 equal monthly payments to participate in the Classified School Employees Summer Furlough Fund. Specifically, this bill:</p> <ol style="list-style-type: none"> <li>1) Allows an eligible classified school employee to specify an amount to be withheld from a paycheck during the school year to be paid back in one or two payments during the summer recess period.</li> <li>2) Requires school districts to deposit the withheld amounts into an account within its general fund called the Classified School Employees Furlough Fund (Furlough Fund).</li> <li>3) Requires the Department of Education to match \$2 for every \$1 deposited by an employee into each district's Furlough Fund, up to a certain amount. The state match can be on the amount an employee earns during 80 hours of employment or 10 days of employment, whichever is greater. The school district then pays the employee the amount withheld plus the state match to the employee during summer recess period.</li> </ol> <p>Fiscal:</p> <ol style="list-style-type: none"> <li>1) Significant costs, possibly in the range of tens of millions of dollars to hundreds of millions of dollars annually, to match double the amount that eligible classified employees withhold from their paychecks. Funds for the match would come from a Budget Act appropriation, presumably from the General Fund (GF). <p>The costs of this bill depend on the number of classified employees participating and the amounts they withhold. For example, if only 25% of California's 250,000 classified school employees participate and these employees set aside an average \$50 a month, state costs would be in the range of \$56.3 million.</p> </li> <li>2) Unknown, possibly significant costs to reimburse school districts to update payroll systems if the Commission on State Mandates determines there is a reimbursable mandate. If 100 school districts needed to expend \$10,000 for updating payroll systems, then the cost would be \$1 million (Proposition 98/GF).</li> </ol>	
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AB 670	Thurmond	<p>Subject: Part-time playground positions and classified service.</p> <p>Removes the provision exempting part-time playground positions at school districts from classified service.</p> <p>Fiscal:</p> <p>Ongoing administrative and payroll costs, including vacation, holidays, and sick leave, for school districts in excess of \$150,000 (Proposition 98 / General Fund) per year for placing approximately 1,500 part-time playground employees in classified service. These employees work part-time, sometimes 2 to 3 hours per week, so benefit costs such as paid leave are not likely to generate significant costs for school districts. However, it can be reasonably assumed that the costs associated with classified service will exceed \$100 per employee.</p>	
AB 708	Quirk-Silva	<p>Subject: Occupational safety and health accidents and notifications.</p> <p>Revises the requirements for when a state, county, or local fire or police agency (Agency) must notify the Division of Occupational Safety and Health (DOSH) regarding an accident. Specifically, this bill:</p> <ol style="list-style-type: none"> <li>1) Clarifies that an agency, when called to an accident involving an employee in which a death or loss of limb occurs must contact DOSH by telephone immediately.</li> <li>2) Allows an agency, when called to an accident involving a serious injury or illness, to contact DOSH by either telephone or other electronic means, within 24 hours.</li> </ol> <p>Fiscal:</p> <p>Ongoing annual costs of approximately \$240,000 to DOSH as a result of the delayed investigations that could occur as a result of this bill. Allowing a local public safety agency additional time to notify DOSH of non-lethal but serious work-related injuries would result in more simplicity for those agencies and help them ensure that their reporting is accurate. However, the delayed notification is likely to impose some additional costs on DOSH because investigations will be hindered by the passage of additional time.</p>	

AB 815	Cooper	<p>Subject: Farm labor contractors.</p> <p>Requires the Labor Commissioner to ensure that the Farm Labor Contractor Special Enforcement Unit, within the Fresno office of the Department of Industrial Relations (DIR), has enough resources to fulfill its duties related to the licensing of, and the processing of complaints against, farm labor contractors.</p> <p>Fiscal:</p> <p>This bill does not specify the additional resources needed or how these additional resources will be used. According to sponsors of AB 815, additional resources could include information technology, database management, and other tools that make farm labor contractor licensing more efficient. An investment of this kind would result in costs in excess of \$200,000 for DIR.</p>	
AB 849	Acosta	<p>Subject: California Workforce Development Board metrics taskforce.</p> <p>Directs the California Workforce Development Board (CWDB) to convene and lead a multi-agency task force with the goal of resolving inconsistencies among performance measures for the state's workforce education and training programs.</p> <p>Fiscal:</p> <p>Annual ongoing General Fund (GF) costs of approximately \$250,000 to convene and oversee a multi-agency task force.</p>	

AB 1008	McCarty	<p>Subject: Employment discrimination and prior criminal history.</p> <p>Places additional conditions on when an employer can inquire about a job applicant's criminal history or use that applicant's criminal history as a factor in denying employment. Specifically, this bill:</p> <ol style="list-style-type: none"> <li>1) States that it is unlawful practice for an employer to include questions about an applicant's criminal history on a job application or inquire into or consider the criminal history of the applicant until after a conditional offer has been made.</li> <li>2) Requires an employer who intends to deny a job applicant because of his or her prior conviction to make an individualized assessment of whether this conviction history has an adverse relationship with the specific duties of the job, and to consider certain topics when making that assessment. If the employer still makes a decision to deny the applicant employment, the employer must notify the applicant of the reasons and the applicant has 10 days to respond with certain specified information.</li> <li>3) Exempts from the provisions of this bill certain state and local agency employers or positions with a criminal justice agency, as defined.</li> </ol> <p>Fiscal:</p> <p>Unknown costs to the California Department of Fair Employment and Housing (DFEH) in the hundreds of thousands of dollars. For instance, if DFEH receives approximately 400 additional complaints because of this bill, there would be one-time administrative and staffing costs in excess of \$200,000 and ongoing costs in excess of \$180,000. However, given the scope of AB 1008's provisions, it is likely there would be more than 400 additional complaints, but the specific number of new claims is unknown.</p>	
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AB 1066	Aguiar-Curry	<p>Subject: Tree removal and prevailing wage requirements.</p> <p>Clarifies that for purposes of a specific definition of public works, the phrase “demolition” includes but is not limited to, tree removal.</p> <p>Fiscal:</p> <p>Annual and ongoing costs of approximately \$500,000 for the Department of Industrial Relations (DIR) to enforce the provisions of this bill and to respond to inquiries about determinations and appeals.</p>	
AB 1099	Gonzalez Fletcher	<p>Subject: Credit card tips in certain service industries.</p> <p>Requires employers that allow debit or credit card payments for services performed by an employee to also allow a debit or credit card payment of gratuity, and this gratuity must be paid to the employee by the next regular payday. These requirements are limited to certain types of employers or employers within specific industries, as defined.</p> <p>Fiscal:</p> <p>Ongoing annual enforcement costs of approximately \$500,000 (Labor Enforcement and Compliance Fund) for the Division of Labor Standards Enforcement (DLSE). Many of the industries affected by this bill are also industries that DLSE prioritizes for investigation. As a result, violations of the provisions of this bill are likely to be identified during the normal course of DLSE operations. Because these violations are misdemeanors, DLSE can anticipate costs related to specialized personnel preparing these cases for criminal prosecution.</p>	

AB 1209	Gonzalez Fletcher	<p>Subject: Published information on gender pay differentials.</p> <p>Requires certain employers to collect and publish specified data on gender pay differentials. Specifically, this bill:</p> <ol style="list-style-type: none"> <li>1) Requires an employer that is required to file a statement of information with the Secretary of State (SOS), and that has 250 or more employees, to collect gender pay differential information on exempt employees or board members, as defined. This information must be published by employers on a public website by July 1, 2020, and must be updated by July 1 each year thereafter.</li> <li>2) Requires the SOS, once it has been appropriated adequate funds and once it has the appropriate mechanisms in place, to publish a certification on its website that it is prepared to receive the information collected by employers.</li> <li>3) Requires affected specified employers to submit the information collected to the SOS, upon the publication of the certification.</li> </ol> <p>Fiscal:</p> <ol style="list-style-type: none"> <li>1) One-time cost pressures of approximately \$950,000 for SOS to develop the database of gender wage differential information submitted by employers. As drafted, AB 1209 only requires SOS to develop and maintain this database if it has received funds to do so.</li> <li>2) Additional ongoing costs of approximately \$450,000 for SOS to maintain the database once it has been created.</li> </ol>	
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AB 1250	Jones-Sawyer	<p>Subject: Conditions on when local agencies can contract for personal services.</p> <p>Authorizes a county, county agency, city, or city agency to contract for personal services currently or customarily performed by county or city employees when specified conditions are met.</p> <p>Fiscal:</p> <ol style="list-style-type: none"> <li>1) Significant, potentially reimbursable, state mandated costs to local agencies in excess of \$10 million to comply with the requirement to maintain a searchable database on specified contract information.</li> <li>2) Additional costs to local agencies, likely in excess of \$15 million, to comply with the other provisions of this bill. These costs reflect the additional workload and requirements associated with securing contracts for personal services, and aggregate costs to local agencies would depend how often affected cities and counties pursue utilize these contracts. These costs are likely not reimbursable.</li> </ol>	
AB 1376	Caballero	<p>Subject: Pre-apprenticeship programs for women in construction trades.</p> <p>Requires the Division of Apprenticeship Standards (DAS) within the Department of Industrial Relations, to develop curricula for, and to provide certification for, pre-apprenticeship programs for women in the construction trades.</p> <p>Fiscal:</p> <p>One time transfer of \$500,000 from the General Fund (GF) to DAS for the purposes of starting the new statewide pre-apprenticeship program, as required this bill. Costs are not expected to exceed this amount.</p>	

AB 1597	Nazarian	<p>Subject: Prohibits CalSTRS and CalPERS from new investments in the nation of Turkey if certain federal action takes place.</p> <p>Prohibits the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) from making additional or new investments or renewing investments, in any investment vehicle issued, owned, controlled, or managed by the government of Turkey, contingent on a federal law that imposes comprehensive or selective economic sanctions on Turkey or any territory under the administration of Turkey.</p> <p>Fiscal:</p> <ol style="list-style-type: none"> <li>1) Significant one-time administrative costs in the range of \$2.9 million for CalPERS and CalSTRS to liquidate securities if federal sanctions against Turkey are enacted and ongoing annual costs of \$1.3 million each year thereafter.</li> <li>2) Unknown impact on public retirement system portfolios if federal sanctions against Turkey are enacted. CalSTRS and CalPERS may incur opportunity costs if alternative investments do not generate greater investment returns than divested securities would have generated.</li> </ol>	
AB 1656	Burke	<p>Subject: Grants for certified nurse assistant training programs.</p> <p>Requires the Employment Training Panel (ETP) to establish a grant award program to fund training programs for certified nurse assistants (CNAs).</p> <p>Fiscal:</p> <ol style="list-style-type: none"> <li>1) One-time appropriation of \$3 million GF to ETP to administer the proposed grant program.</li> <li>2) Minor costs for Employment Development Department (EDD) to provide resources and assistance to ETP, as required by this bill.</li> </ol>	