MEDINA McKELVEY LLP

EMPLOYMENT LAW WEBINAR

California Employment Law *2027*

Robo bosses, bathroom cameras, and revisiting stay-or-pay:
what changed and what to do about it.

November 10, 2026

EMPLOYMENT LAW WEBINAR

Agenda

01 AI and Privacy

02 Contracts and Arbitration

03 Leave and Benefits

04 Pay and Wage-Hour

05 Discrimination, Retaliation and Training

06 Workplace Safety and Violence

07 PAGA and Litigation

08 Wrap-Up and Q&A

01

AI and Privacy



SB 947: The "No Robo Bosses Act"

The algorithm can recommend. A human has to decide.

THE LAW

- Effective 7/1/27
- No discipline or firing based solely on an automated decision system ("ADS")
- Primary reliance on an ADS needs human review and corroboration
- Written notice to the employee after use
- No using an ADS to infer protected traits or retaliate
- $500 per violation, may lead to PAGA claims

YOUR MOVE

01 Inventory every tool that scores, ranks, flags, or recommends

02 Name the human reviewer and document what they checked

03 Add the post-use notice to your termination checklist

04 Get vendor answers in writing

SB 947 (2026) · successor to the vetoed SB 7 (2025)

01 · AI AND PRIVACY

CCPA Automated Decision Rules

Same robots, second regulator.

1/1/27

Compliance due

THE RULES

- Apply to CCPA-covered businesses, separate from SB 947
- Cover automated tools used for significant job decisions: hiring, pay, promotion, discipline, firing
- Pre-use notice, plus an opt-out or a human appeal, and access right.
- Compliance due 1/1/27
- Risk assessments on a phased schedule

YOUR MOVE

- Confirm whether you’re covered by the CCPA
- Build one AI compliance plan for SB 947 and the CCPA
- Draft the pre-use notice now
- Put risk assessment deadlines on the calendar

SB 951: The AI Layoff Notice

If the robot took the job, the WARN notice has to say so.

THE LAW

- Amends the Cal-WARN 60-day notice
- Applies when AI or automation is a whole or substantial cause of a mass layoff, relocation or termination
- Notice must contain certain information, including: the affected job functions, and the type of AI system that resulted in the displacement.
- “Substantial” is not defined in the bill.

YOUR MOVE

01 Document the business reasons for every reduction in force

02 Decide early whether automation is a substantial cause

03 Treat the notice as public: involve communications

04 Remember the SB 617 content rules from 2025

Surveillance: Where the Cameras Stop

Three laws, one message: pay attention to the information you are surveilling and collecting.

AB 1883

- No using workplace surveillance tools with AI on employees that read emotions or collect neural data

AB 1331

- No using workplace surveillance tools in bathrooms
- Workers may leave surveillance devices outside bathrooms
- Potential $500 penalty per violation

SB 690

- Ends private website “pen register” and “trap and trace” suits; AG only
- Reaches pending claims from the prior 2 years
- Wiretap claims (§ 631) are still alive

AB 1883, AB 1331, SB 690 (2026) · all eff. 1/1/27

02

Contracts and Arbitration



02 · CONTRACTS AND ARBITRATION

AB 1697: Stay-or-Pay, Take Two

The 2025 law gets a make-over, and some useful exceptions.

THE LAW

- Urgency bill: in effect since signing on 9/30/26
- Liability for "stay-or-pay" provisions pushed back until 1/1/27
- New exceptions: advanced PTO (40 hours max, no interest), grant-funded programs, some securities and insurance deals
- In order to be repayable, a bonus does not necessarily have to be offered at hire—this means eligible relocation and/or retention bonuses can be subject to repayment

YOUR MOVE

- Audit sign-on, relocation, and training repayment templates
- Audit handbook policies, if any
- Have compliant versions ready before 1/1/27
- Remember: violations cost the greater of actual damages or $5,000 per worker, plus fees

AB 1697 (2026) amending AB 692 (2025)

AB 2155: Arbitration Loses Its Backup Plan

If the FAA says no, California now says no too.

Before 1/1/27	Not enforceable under the FAA	→	California Arbitration Act fallback	→ Arbitration
From 1/1/27	Not enforceable under the FAA	→	~~California Arbitration Act fallback~~	→ Court

THE LAW

- Signed 6/30/26; effective 1/1/27
- An agreement that is not enforceable under the FAA is also unenforceable under the California Arbitration Act
- This means that where exceptions to the FAA exist, arbitration under the CAA is not an option
- This comes into play with respect to the transportation worker exemption and claims subject to the Ending Forced Arbitration of Sexual Assault and Harassment Act

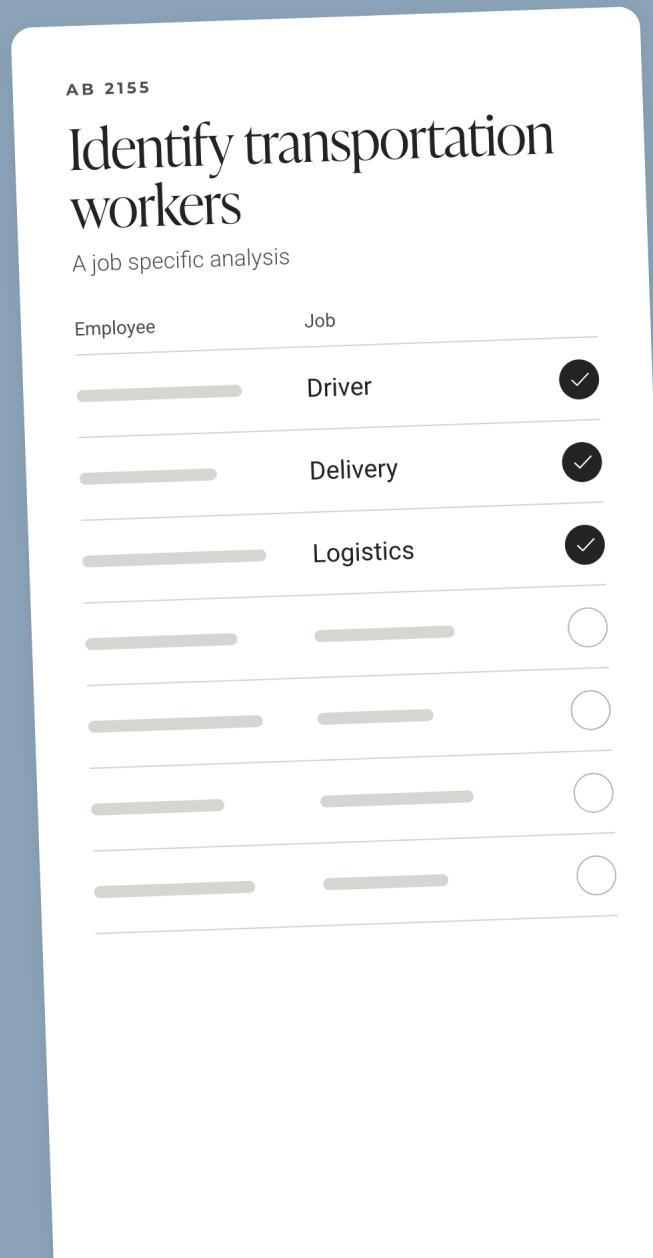
AB 2155: Arbitration Loses Its Backup Plan

YOUR MOVE

01 Identify transportation workers, which may include drivers, delivery and logistics employees. This is a job specific analysis as opposed to an industry specific analysis, and it can get complicated.

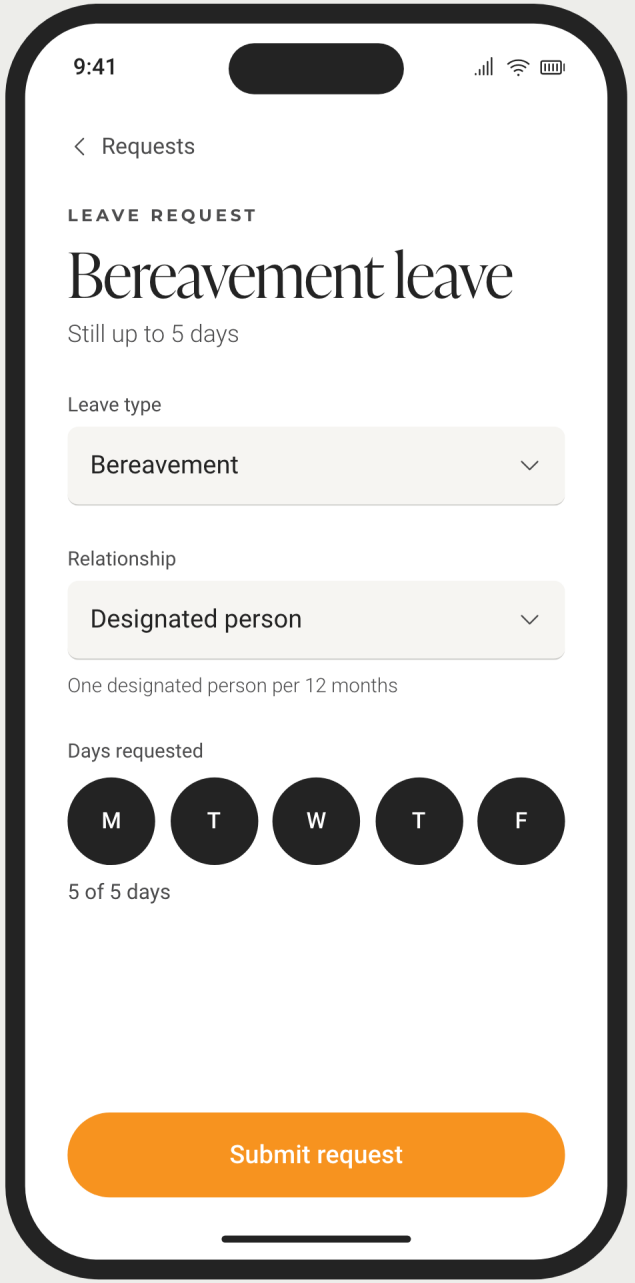
02 Stop counting on state-law fallback clauses

03 Budget for court litigation for those groups



03

Leave and Benefits



Leave: Who Counts As Family Now

One designated person, five days, and a handbook update.

SB 1149

Effective 1/1/27

- Bereavement leave now covers a “designated person”
- Can limit to one per 12 months
- Still up to 5 days

SB 590

Effective 7/1/28

- Reminder: Paid Family Leave will add a “designated person” too
- Update both policies

Proposed Pregnancy Rules

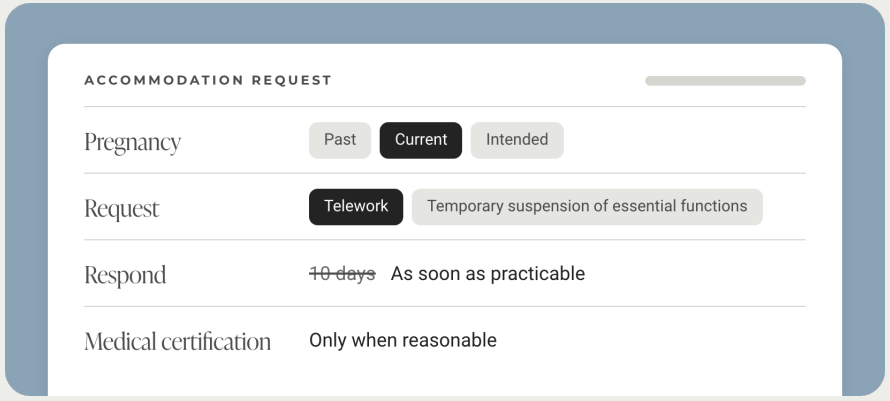
California catches up to the PWFA, then pulls ahead.

THE PROPOSAL

- Proposed 10/16/26 to align FEHA with the PWFA*
- Covers past, current, and intended pregnancy
- Adds telework and temporary suspension of essential functions
- Respond to requests “as soon as practicable,” not in 10 days

*The EEOC has recently indicated they will strip back protections effectively watering down the PWFA.

- Medical certification only when reasonable
- Reasonable leave notice, 30 days presumed reasonable
- CFRA may follow PDL; bonding in smaller blocks



Proposed Pregnancy Rules

YOUR MOVE

01 Decide whether to comment by 12/8/26

02 Give water, restroom, sit/stand, and eating breaks without delay

03 Stop routine medical-certification requests

04 Remap PDL, CFRA, and bonding timelines

05 Don’t rely on past practice to judge requests

04

Pay and Wage-Hour

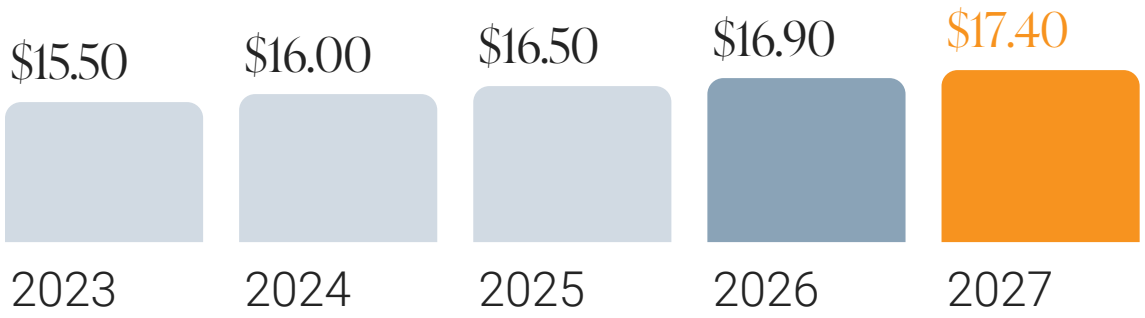


The 2027 Floor

Exempt salary = 2 × $17.40 × 2,080 hours

$17.40

State minimum wage per hour, starting 1/1/27
(*but local ordinances may require higher wages)



$72,384

Minimum annual salary for most exempt employees

$19.75

Minimum wage for certain agricultural employees, starting 1/1/27

California statewide minimum wage per hour, 2023–2027

Pay Data: More Boxes, Bigger Fines

The report gets harder and the penalty gets bigger.

Repeat failure, per employee

$200 → $1,000

Job categories

10 → 23

- SB 1237: repeat failure to file now up to $1,000 per employee (was $200)
- First failure stays up to $100 per employee
- SB 464 (2025): job categories grow from 10 to 23 in 2027
- SB 464 (2025): remember, demographic data must be stored separately from personnel records

YOUR MOVE

- Confirm your 100+ employee and labor contractor counts
- Map every job title to the 23 new categories now
- Calendar the May filing deadline
- Ensure demographic data is out of personnel files

SB 1237 (2026) · SB 464 (2025)

Wage and Hour Odds and Ends

Small bills, real consequences.

SB 1444

- Employees can recover willful misclassification penalties as damages payable to the employee, but not on top of PAGA penalties for the same violation

SB 1316

Produce it or lose it: payroll, time, and employment records not timely produced can’t be used at certain hearings, including:

- Administrative proceedings on retaliation and discrimination claims
- Administrative proceedings on wage and hour violation claims

05

Discrimination, Retaliation and Training



One Definition of Sex Discrimination

Plus, the menopause bill that didn't make it.

AB 2563

Signed

- One definition across California codes
- Includes not conforming to sex or gender stereotypes
- Laws must be read broadly

AB 1940

Vetoed

- Would have added menopause to FEHA's definition of "sex"
- AB 2563's menopause trigger never activated

YOUR MOVE

- Update EEO policy language
- Still accommodate menopause symptoms through the interactive process

AB 2563 (2026), eff. 1/1/27 · AB 1940 vetoed 9/30/26

AB 2495: Immigration *Retaliation*

Perceived status counts. So do applicants and former employees.

THE LAW

- Bars conduct tied to perceived immigration status that would discourage using workplace rights
- Covers applicants and former employees
- Up to $10,000 per person, per violation

$10,000

Per person, per violation

YOUR MOVE

- Train supervisors: no comments, threats or “papers” questions
- Route all work authorization issues through HR
- Send the SB 294 Know Your Rights notice by 2/1/27

AB 2495 (2026), eff. 1/1/27 · SB 294 (2025) annual notice

Training and Training Records

New content for 2028, new paperwork already.

AB 1803

Effective 1/1/28

- Harassment training must cover recognizing, reporting, and confronting hate speech based on protected traits
- “Hate speech” isn’t defined clearly
- Ask your vendor now

SB 513 reminder

Effective 1/1/26

Training records are personnel records. Each must show:

- Employee name
- Trainer or provider
- Date and duration
- Core competencies covered
- Certification earned

06

Workplace Safety and Violence



Restraining Orders for the Whole Workplace

When the threat is aimed at everyone, you no longer have to pick one name.

THE LAW

- AB 1961 (1/1/27): one petition can cover everyone at a worksite; no individual names required
- Applies when violence or a credible threat targets the workplace generally
- AB 2179 (1/1/28): free remote appearances and electronic filing

YOUR MOVE

01 Add group petitions to your Workplace Violence Prevention Plan

02 Decide in advance who can authorize a filing

03 Keep incident logs current: they’re your evidence

AB 1961, AB 2179 (2026)

Cal/OSHA Calls the Prosecutor

Serious incidents now come with a criminal referral process.

5 or more workers seriously injured or exposed, or any death, means prosecutors are notified

AB 2321

- Willfully interfering with Cal/OSHA is a misdemeanor
- Willful-violation crime now reaches serious injury, illness, or exposure

YOUR MOVE

01 Write an inspection protocol: cooperate, escalate, document

02 Call counsel early after serious incidents

AB 2321 (2026) · eff. 1/1/27

07

PAGA and Litigation



PAGA by the Numbers

400%

increase in PAGA cases
over the past 10 years

6

Just 6 firms file
25% of all cases

2,344

PAGA cases
in 2025

$914,972

average settlement
in 2025

PAGA Update

Lab. Code § 2698 et seq.

Quick recap: On June 19, 2024, the Private Attorneys General Act was amended in many key ways, including an avenue for penalty reduction:

- An ounce of prevention is worth a lot. Penalties can be capped at 15% if the employer seeks "all reasonable steps" towards compliance before the PAGA letter, and 30% if the employer seeks to comply within 60 days of notice of alleged violations.

Reasonable steps include:

- Payroll audits
- Lawful policies
- Training supervisors and corrective action

PENALTY CAP

Full default: $100/pay period per employee & violation



100%

Seeks to comply within 60 days of notice



30%

Reasonable steps before the PAGA letter



15%

PAGA Update

Lab. Code § 2698 *et seq*.

February 6, 2026

Proposed regulations

August 3, 2026

Revised proposal after public comment

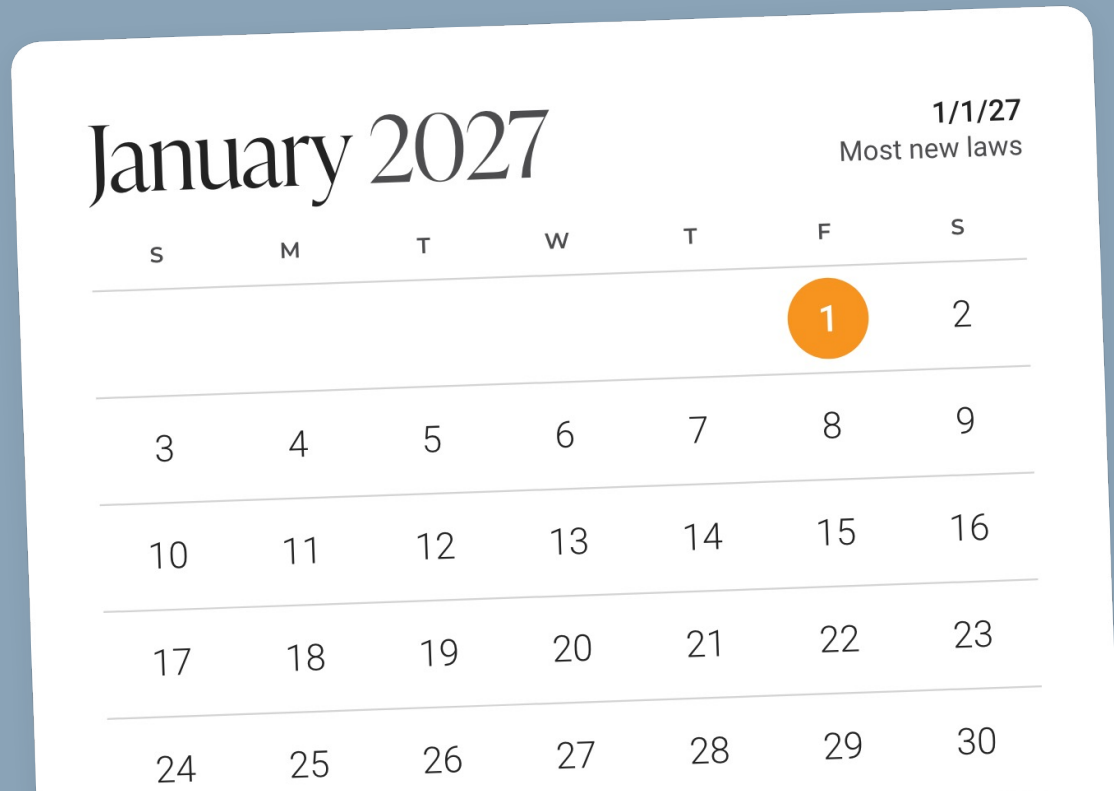
Later 2026/Early 2027

Final rules possible

- The LWDA issued proposed regulations on February 6, 2026 that had implications for frequent fliers, post-mediation settlements and cure processes.
- On August 3, 2026, the LWDA issued proposed revised regulations that adjusted some of the proposed regulations in response to public comments. Final rules could be issued later this year.
- Headless PAGA remains in limbo.

08

Wrap-Up


January 2027
1/1/27
Most new laws
S M T W T F S
1 2
3 4 5 6 7 8 9
10 11 12 13 14 15 16
17 18 19 20 21 22 23
24 25 26 27 28 29 30

Mark Your Calendar

9/30/26	AB 1697 stay-or-pay fix already in effect
1/1/27	Most new laws; $17.40 state minimum wage; CCPA automated decision rules
2/1/27	Annual SB 294 Know Your Rights notice to all employees
May 2027	Pay data report, now with 23 job categories
7/1/27	SB 947 No Robo Bosses rules take effect
1/1/28	AB 1803 hate speech training; AB 2179 remote WVRO hearings
7/1/28	SB 590 Paid Family Leave for a designated person

Your 2027 To-Do List

01 Inventory AI and surveillance tools

02 Build human review and notice steps

03 Fix stay-or-pay templates and policies by 1/1/27

04 Review arbitration agreements for drivers

05 Update handbooks and policies; consider “reasonableness”

06 Raise pay rates and exempt salaries; review exempt classifications

07 Map jobs to 23 pay data categories

08 Train supervisors on immigration retaliation

09 Send the SB 294 notice by 2/1/27

10 Refresh WVPP and inspection protocol

THANK YOU

Questions?



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This presentation provides general information, not legal advice.
Laws and effective dates are current as of November 06, 2026; confirm before acting.

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