



March 20, 2025

The Honorable Aisha Wahab
California State Senate
1021 O St., Suite 8530
Sacramento, CA 95814

**SUBJECT: SB 261 (WAHAB) DIVISION OF LABOR STANDARDS ENFORCEMENT: ORDERS, DECISIONS, AND AWARDS
OPPOSED UNLESS AMENDED– AS AMENDED MARCH 17, 2025**

Dear Senator Wahab,

The California Chamber of Commerce and the organizations listed below are respectfully **OPPOSED UNLESS AMENDED** to **SB 261 (Wahab)**. While we share the goals of increased enforcement, our primary

concern is that Section One of the bill will villainize employers simply for partaking in a hearing on a claim rather than settling it.

SB 261 requires the Labor Commissioner to post every order, decision or award (“ODA”) online for public viewing unless it is being appealed. ODAs are issued at the conclusion of hearings before the Labor Commissioner. Just as in court, there are many situations in which the parties may choose to participate in a hearing rather than reach settlement. For example, a genuine dispute about under what circumstances a reimbursement is due or whether a specific manager did or did not offer timely meal breaks. Many claims in labor and employment law arise where there are no concrete records or where the law is highly fact specific, resulting in legitimate, good faith disputes. Our concern is that creating a public list of all employers with ODAs places those in good faith disputes on the same list as those who have an ODA issued against them because they acted maliciously in withholding wages or failed to show up to the hearing at all.

Further, posting every single ODA online effectively creates a shopping list for trial attorneys. The 2024 PAGA Reform legislation codified existing case law providing those higher penalties (\$200 per employee per pay period) under PAGA for subsequent violations may be awarded where the LWDA issued a finding or determination to the employer that its policy or practice giving rise to the violation was unlawful. By handing trial attorneys a copy of every ODA issued, the Legislature is handing them a shopping list of employers to go threaten with litigation to see if they can get a higher penalty.

To be clear, we are not opposing the publishing of unsatisfied judgments where the employer is ignoring their obligation to pay an outstanding ODA. For Sections Two and Five of the bill, we simply request additional clarity that an employer who has entered into an agreement with the employee regarding a payment plan or schedule not be included on the posted list or under the new penalty created in Section Five.

For these reasons, we are **OPPOSED UNLESS AMENDED** to **SB 261 (Wahab)**.

Sincerely,



Ashley Hoffman
Senior Policy Advocate
California Chamber of Commerce

California Association of Winegrape Growers
California Association of Sheet Metal and Air Conditioning Contractors National Association
California Farm Bureau
California League of Food Producers
California Restaurant Association
California Retailers Association
California Trucking Association
Carlsbad Chamber of Commerce
Colusa County Chamber of Commerce
Corona Chamber of Commerce
Greater Coachella Valley Chamber of Commerce
Greater High Desert Chamber of Commerce
Garden Grove Chamber of Commerce
Hayward Chamber of Commerce
La Cañada Flintridge Chamber of Commerce
Long Beach Area Chamber of Commerce
Murrieta/Wildomar Chamber of Commerce
National Federation of Independent Business

North San Diego Business Chamber
Oceanside Chamber of Commerce
Orange County Business Council
Palos Verdes Peninsula Chamber of Commerce
Porterville Chamber of Commerce
Poway Chamber of Commerce
Redondo Beach Chamber of Commerce
Roseville Area Chamber of Commerce
San Diego Regional Chamber of Commerce
Santa Barbara South Coast Chamber of Commerce
Santa Clarita Valley Chamber of Commerce
South Bay Association of Chambers of Commerce
Southwest California Legislative Council
Torrance Chamber of Commerce
Western Electrical Contractors Association

cc: Legislative Affairs, Office of the Governor

AH:am