





March 31, 2025

TO: Members, Senate Judiciary Committee

**SUBJECT: SB 261 (WAHAB) DIVISION OF LABOR STANDARDS ENFORCEMENT: ORDERS, DECISIONS, AND AWARDS
OPPOSED UNLESS AMENDED – AS AMENDED MARCH 27, 2025**

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 Two 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 Section 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 under the new penalty created in that section. Our understanding of Section Three is that payment plans are accounted for based on existing regulations on the similar port drayage list and we believe this should apply to the increased penalty as well.

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

Sincerely,



Ashley Hoffman
Senior Policy Advocate
California Chamber of Commerce

Acclamation Insurance Management Services (AIMS), Dominic Russo
Allied Managed Care (AMC), Dominic Russo
Anaheim Chamber of Commerce, Jerry Jordan
Associated General Contractors California, Matthew Easley
Associated General Contractors San Diego, Matthew Easley
Brea Chamber of Commerce, Lacy Schoen
California Apartment Association, Embert P. Madison Jr.
California Association of Winegrape Growers, Michael Miiller
California Association of Sheet Metal and Air Conditioning Contractors National Association, Chris Walker
California Builders Alliance, Mark Smith
California Chamber of Commerce, Ashley Hoffman
California Farm Bureau, Bryan Little
California League of Food Producers, Katie Little
California Restaurant Association, Matthew Sutton
California Retailers Association, Ryan Allain
California Trucking Association, Nick Chiappe
Carlsbad Chamber of Commerce, Bret Schanzenbach
Civil Justice Association of California, Kyla Powell
Coalition of Small and Disabled Veteran Businesses, Jeffrey Langlois
Colusa County Chamber of Commerce, Jack Cunningham
Construction Employers' Association, Scott Govenar
Corona Chamber of Commerce, Anthony Maldonado
El Dorado County Chamber of Commerce, Laurel Brent-Bumb
El Dorado Hills Chamber of Commerce, Debbie Manning
Elk Grove Chamber of Commerce, Angela Perry
Flasher Barricade Association (FBA), Kenneth Johnston
Folsom Chamber of Commerce, Joe Gagliardi
Garden Grove Chamber of Commerce, Claudette Baldemor
Gateway Chambers Alliance, Caren Spilsbury
Greater Coachella Valley Chamber of Commerce, Adam Ruiz
Greater High Desert Chamber of Commerce, Mark Creffield
Hayward Chamber of Commerce, Lucy Lopez
La Cañada Flintridge Chamber of Commerce, Pat Anderson
Lincoln Area Chamber of Commerce, Tom Indrieri
Lodi District Chamber of Commerce, JP Doucette
Long Beach Area Chamber of Commerce, Celeste Wilson
Murrieta/Wildomar Chamber of Commerce, Adam Ruiz
National Federation of Independent Business, Tim Taylor
North San Diego Business Chamber, Chris Thorne
Norwalk Chamber of Commerce, Caren Spilsbury
Oceanside Chamber of Commerce, Scott Ashton
Orange County Business Council, George Boutros
Palos Verdes Peninsula Chamber of Commerce, Marilyn Lyon
Paso Robles and Templeton Chamber of Commerce, Gina Fitzpatrick
Porterville Chamber of Commerce, Kristy Martin
Poway Chamber of Commerce, Mike Leland
Rancho Cordova Chamber of Commerce, Diann Rogers
Rancho Mirage Chamber of Commerce, Katie Slimko Stice
Redondo Beach Chamber of Commerce, Dominik Knoll
Rocklin Area Chamber of Commerce, Robin Trimble

Roseville Area Chamber of Commerce, Rana Ghadban
Sacramento Regional Builders Exchange, Mark Smith
San Diego Regional Chamber of Commerce, Chris Thorne
Santa Barbara South Coast Chamber of Commerce, Dustin Hoiseth
Santa Clarita Valley Chamber of Commerce, Mitchell Van Bakkum
Santee Chamber of Commerce, Kristen Dare
Seal Beach Chamber of Commerce, Kori DeLeon
Shingle Springs/Cameron Park Chamber of Commerce, Colette Thiel
South Bay Association of Chambers of Commerce, Kimberly Caceres
Southwest California Legislative Council, Erik McLeod
Torrance Area Chamber of Commerce, Donna Duperron
United Chamber Advocacy Network, Rana Ghadban
Western Electrical Contractors Association, Richard Markuson
Yuba-Sutter Chamber of Commerce, Janell Willis

cc: Legislative Affairs, Office of the Governor
Ray Sun, Office of Senator Wahab
Consultant, Senate Judiciary Committee
Cory Botts, Senate Republican Caucus

AH:am