Morgan Lewis

NAVIGATING THE NEXT

Biweekly Webinar Series: Returning to Work in California: Highlights of Major State and Local Orders

Daryl Landy, Lauren Nikkhah, and Karen Cho February 10, 2021







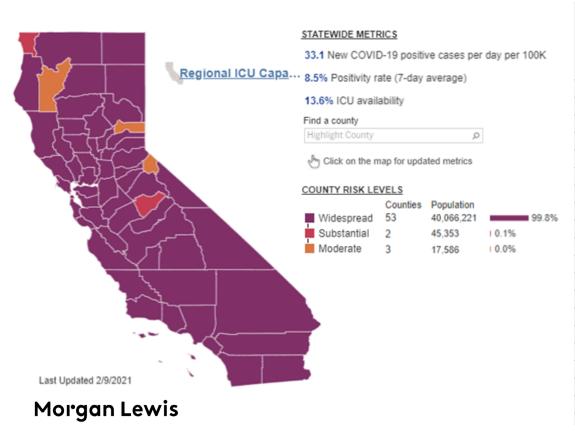
California's Tier System

County risk level	New cases	Positive tests
Many non-essential indoor business operations are closed	More than 7 Daily new cases (per 100k)	More than 8% Positive tests
SUBSTANTIAL Some non-essential indoor business operations are closed	4-7 Daily new cases (per 100k)	5 – 8% Positive tests
MODERATE Some indoor business operations are open with modifications	1 – 3.9 Daily new cases (per 100k)	2 – 4.9% Positive tests
MINIMAL Most indoor business operations are open with modifications	Less than 1 Daily new cases (per 100k)	Less than 2% Positive tests

Morgan Lewis

5

California's Tier System

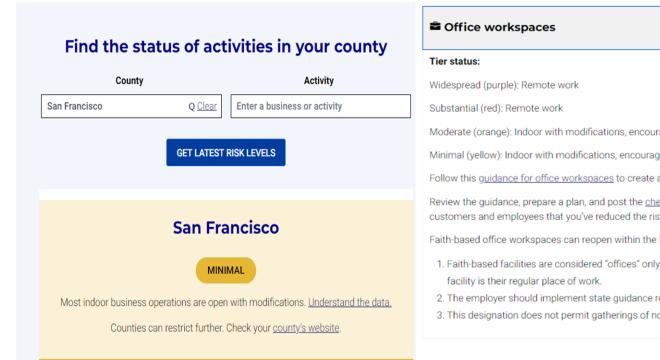


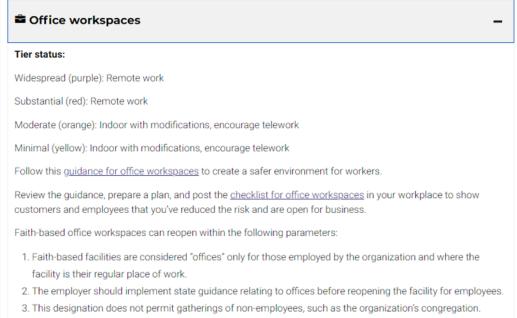
	Tier assignme nt on	Tier Assessmen	FINAL TIER FOR
Location	11/10/20	t	11/16
Alameda*	3	2	- 1
Alpine	4	4	4
Amador	2	3	2
Butte*	3	1	1
Calaveras	4	3	3
Colusa	3	2	2
Contra Costa		1	1
Del Norte	3	2	2
El Dorado*	3	1	1
Fresno*	2	1	1
Glenn*	2	1	1
Humboldt	4	2	2
Imperial	1	1	1
Inyo	3	3	3
Kern*	2	1	1
Kings*	2	1	1
Lake	2	2	2
Lassen	3	3	3
Los Angeles	1	1	1
Madera	1	1	1

California's Tier System – Permissible Activity

SECTORS	Widespread Tier 1	Substantial Tier 2	Moderate Tier 3	Minimal Tier 4
Restaurants	Outdoor Only with modifications	Open indoors with modifications • Max 25% capacity or 100 people, whichever is fewer	Open indoors with modifications • Max 50% capacity or 200 people, whichever is fewer	Open indoors with modifications • Max 50% capacity
Wineries	Outdoor Only with modifications	Outdoor Only with modifications	Open indoors with modifications • Max 25% capacity indoors, or 100 people, whichever is fewer	Open indoors with modifications • Max 50% capacity or 200 people indoors, whichever is fewer
Bars, Breweries, and Distilleries (where no meal provided) (follow restaurants where meal is provided)	Closed	Closed	Open Outdoors with modifications	Open indoors with modifications • Max 50% capacity
Family Entertainment Centers	Outdoor Only with modifications e.g. • Kart Racing • Mini Golf • Batting Cages	Outdoor Only with modifications e.g. • Kart Racing • Mini Golf • Batting Cages	Open Indoors for naturally distanced activities with modifications Max 25% capacity Bowling Alleys Climbing Walls	Open indoors for activities with increased risk of proximity and mixing with modifications Max 50% capacity Arcade Games Ice and roller skating Indoor playgrounds

California's Tier System — Searching for Status of Activity in Each County







California Hazard Pay — What Is It?

- Also known as "Hero Pay"
- Typically additional hourly pay for lower wage, frontline workers
- Several California cities and counties introduced emergency hazard pay ordinances, particularly for large grocery and drugstore workers.
- If the local ordinance is passed, the law mandates employers to provide employees with additional pay, typically \$4-\$5 per hour, on top of their base pay.

California Hazard Pay — Who Has Adopted or is Considering It?

Cities with Hazard Pay:

- Long Beach
- Montebello
- Oakland

Cities considering it:

- Berkeley
- Los Angeles
- San Jose
- Santa Ana
- San Francisco
- Santa Monica
- West Hollywood

Counties considering it:

- Los Angeles
- San Francisco
- Santa Clara

California Hazard Pay — Key Requirements and Developments

- Employer additional requirements:
 - Prohibited from reducing employee hours and compensation
 - Must inform employees of their rights under the ordinance with a written notice
 - Must retain records that document compliance for a period of 2 years
- Expansion of hazard pay to other sectors
- Lawsuits in Long Beach, Montebello, and Oakland



SB 973: Equal Pay — Data Reporting Requirements

- Covered Employers Must Submit Pay Data Report to DFEH
 - Applies where employers have more than 100 employees
 - Reporting year is calendar year
 - Choose single "snapshot" pay period Oct.-Dec.
 - First report due by March 31, 2021
 - Searchable format
- Report Contents
 - Number of employees categorized by race, ethnicity and sex
 - Categorized in each of the EEO-1 defined job types
 - Include previous year W-2 earnings and hours worked
 - Categorize pay in bands used by US Bureau of Labor Statistics
 - Required for each establishment and consolidated report that includes all employees

SB 973: Pay Data Reporting Requirements, cont.

- Confidentiality and Retention
 - State and agencies required to keep unique employer data confidential
 - Information considered confidential under California Public Records Act
 - State may report and publish aggregated data
 - Agency must retain data for 10 years
- Enforcement
 - DFEH required to make reports available to DLSE upon request
 - EDD required to provide DFEH upon request names and addresses of all covered businesses
 - DFEH can use the list to determine compliance with reporting
 - DFEH may seek an order compelling compliance by employers and recover costs

SB 973: Pay Data Reporting Requirements, cont.

- Employers Should Plan Now for Compliance
 - DFEH has published a **template** and **User Guide:** https://www.dfeh.ca.gov/paydatareporting/
 - May submit EEO-1 report if it contains the same or substantially similar pay data
 - Note, most EEO-1 reports will not technically comply with SB 973 because the federal government discontinued collection of pay band data categorized by race, ethnicity, and sex
 - May change under Biden administration
 - Adjust systems to ensure that data will be available in the format required
 - While the report is submitted to the DFEH, employers should keep communication regarding the data behind it privileged.
 - Prepare the report with the assistance and at the direction of counsel to ensure communications regarding the report, including the results and any impact that the report will have to the company, are privileged.
 - Consider proactive pay equity analysis to address any areas of concern

Upcoming Events

• Thursday, February 18 - *New Cal-OSHA COVID-19 Regulations*Register here

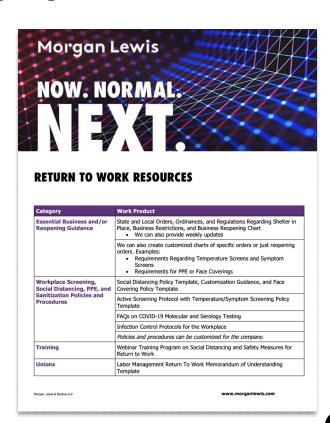
Return to Work Resources for Employers

View a list of the <u>return to work resources</u> that we have developed to support employers' efforts in safely returning to work.

Get more information on our **Return to Work**— **Stay in the Safe Zone** training program.

Access our workplace reopening checklist.

Questions on Vaccines?

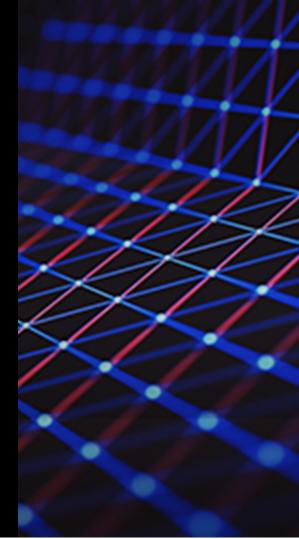


Coronavirus COVID-19 Resources

We have formed a multidisciplinary **Coronavirus/COVID-19 Task Force** to help guide clients through the broad scope of legal issues brought on by this public health challenge.

To help keep you on top of developments as they unfold, we also have launched a resource page on our website at www.morganlewis.com/topics/coronavirus-covid-19

If you would like to receive a daily digest of all new updates to the page, please visit the resource page to subscribe using the purple "Stay Up to Date" button.



Our Global Reach

Africa Latin America
Asia Pacific Middle East
Europe North America

Our Locations

Abu Dhabi Moscow
Almaty New York
Beijing* Nur-Sultan
Boston Orange County

Brussels Paris

Century City Philadelphia
Chicago Pittsburgh
Dallas Princeton
Dubai San Francisco
Frankfurt Shanghai*
Hartford Silicon Valley
Hong Kong* Singapore*

London Washington, DC Los Angeles Wilmington

Tokyo

Miami

Houston



Morgan Lewis

*Our Beijing and Shanghai offices operate as representative offices of Morgan, Lewis & Bockius LLP. In Hong Kong, Morgan Lewis operates through Morgan, Lewis & Bockius, which is a separate Hong Kong general partnership registered with The Law Society of Hong Kong as a registered foreign law firm operating in Association with Luk & Partners. Morgan Lewis Stamford LLC is a Singapore law corporation affiliated with Morgan, Lewis & Bockius LLP.

THANK YOU

- © 2020 Morgan, Lewis & Bockius LLP
- © 2020 Morgan Lewis Stamford LLC
- © 2020 Morgan, Lewis & Bockius UK LLP

Morgan, Lewis & Bockius UK LLP is a limited liability partnership registered in England and Wales under number OC378797 and is a law firm authorised and regulated by the Solicitors Regulation Authority. The SRA authorisation number is 615176.

Our Beijing and Shanghai offices operate as representative offices of Morgan, Lewis & Bockius LLP. In Hong Kong, Morgan Lewis operates through Morgan, Lewis & Bockius, which is a separate Hong Kong general partnership registered with The Law Society of Hong Kong as a registered foreign law firm operating in Association with Luk & Partners. Morgan Lewis Stamford LLC is a Singapore law corporation affiliated with Morgan, Lewis & Bockius LLP.

This material is provided for your convenience and does not constitute legal advice or create an attorney-client relationship. Prior results do not guarantee similar outcomes. Attorney Advertising.