

Eye on State and Local Compliance

Timely, topical insights on a variety of payroll and reporting issues.

November 20, 2025



State/Territory/District

California Adds to Pay Data Reporting Rules

The Details:

Background:

Under state law, a private employer who has 100 or more employees, with at least one California employee, must submit a pay data report covering the prior calendar year to the state on or before the second Wednesday of May each year, regardless of whether they are required to submit an EEO-1 report.

A private employer who has 100 or more employees, with at least one California employee, hired through labor contractors within the prior calendar year must also submit a separate pay data report to the state covering those employees. The private employer must also disclose on the pay data report the ownership names of all labor contractors used to supply employees. A labor contractor must supply all necessary pay data to the private employer.

Senate Bill 464:

Effective January 1, 2026, Senate Bill 464 requires that any employee demographic information gathered by an employer or labor contractor for the purpose of pay data reporting be kept separately from the employee's personnel records.

Effective January 1, 2027, Senate Bill 464 increases the number of job categories on which covered employers must report. The list of covered occupations will be the following:

- Chief executives.
- Management occupations, except chief executives.
- Business and financial operations occupations.
- Computer and mathematical occupations.
- Architecture and engineering occupations.
- Life, physical, and social science occupations.
- Community and social science occupations.
- Legal occupations.
- Educational instruction and library occupations.
- Art, design, entertainment, sports, and media occupations.
- Health care practitioners and technical occupations.
- Health care support occupations.
- Protective service occupations.

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State/Territory/District

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Local

- San Diego Increases Minimum Wage for Hospitality Workers

Minimum Wage

- Minimum Wage Announcements 10/21/25 – 11/20/25

- Food preparation and serving-related occupations.
- Building and ground cleaning and maintenance occupations.
- Personal care and service occupations.
- Sales and related occupations.
- Office and administrative support occupations.
- Farming, fishing, and forestry occupations.
- Construction and extraction occupations.
- Installation, maintenance, and repair occupations.
- Production occupations.
- Transportation and material moving occupations.

Next Steps:

Covered employers should review pay data collection and reporting policies, practices and training and use updated templates to ensure compliance with the amended law.

California Clarifies Definition of 'Pay Scale' for Disclosure Requirement

The Details:

Background:

Under Section 432.3 of the Labor Code, all employers must do the following upon request:

- Provide an applicant with the pay scale for the position for which they applied (even before the initial interview).
- Provide an employee with the pay scale for their current position.

An employer with 15 or more employees must also include the pay scale for a position in any job posting. If the employer engages a third-party to announce, post or publish a job posting, the employer must provide the pay scale to the third-party. The third-party is required to include the pay scale in the job posting.

For the purposes of Section 432.3 of the Labor Code, "pay scale" is defined as the salary or hourly wage range that the employer reasonably expects to pay for the position.

Senate Bill 642:

Effective January 1, 2026, Senate Bill 642 amends Section 432.3's definition of "pay scale" to mean a **good faith estimate** of the salary or hourly wage range that the employer reasonably expects to pay for the position **upon hire**.

Other Changes:

Senate Bill 642 also makes changes to the state's equal pay provisions under Section 1197.5 of the Labor Code. **Effective January 1, 2026**, Senate Bill 642 amends Section 1197.5 of the Labor Code to:

- Prohibit an employer from paying employees at wage rates less than the rates paid to employees of "another sex" (rather than the "opposite sex," as is the case under existing law) for substantially similar work.
- Extend the time in which individuals may commence a civil action to recover wages under Section 1197.5 from two years to three years after the last date the cause of action occurs.
- Entitle individuals to obtain relief under the equal pay law for the entire time in which a violation exists, provided it is six years or less.
- Specify that a cause of action under the equal pay law occurs when an alleged unlawful compensation decision or practice is adopted, when an individual becomes subject to the decision or practice, or when an individual is affected by the application of the decision or practice.
- Clarify the definition of certain terms used in the law. For example, for the purposes of the equal pay provisions, the definition of "wages" and "wage rates" includes all forms of pay, including, but not limited to, salary, overtime pay, bonuses, stock, stock options, profit sharing and bonus plans, life insurance, vacation and holiday pay, cleaning or gasoline allowances, hotel accommodations, reimbursement for travel expenses, and benefits. See [the text of Senate Bill 642](#) for details.

Next Steps:

Review policies, practices and training to ensure compliance with the amended laws.

California Clarifies Duty to Reimburse Employees for Business Expenses

The Details:

Background:

Under existing law, employers must indemnify (pay upfront/reimburse) their employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of their duties, or because they followed the directions of the employer.

Senate Bill 809:

Effective January 1, 2026, Senate Bill 809 clarifies that the employer's duty to indemnify their employees for business expenses also applies to the use of a vehicle owned by an employee and used by that employee in the discharge of their duties.

With respect to construction trucking, a commercial motor vehicle driver who owns the truck, tractor, trailer, or other commercial vehicle that they use in the discharge of their duties as an employee working for an employer would be entitled to reimbursement for the use, upkeep, and depreciation of that truck, tractor, trailer, or other commercial vehicle.

Next Steps:

Employers should review reimbursement policies and practices to ensure compliance with the clarified law.

California Expands CalWARN Requirements

The Details:

Background:

The California Worker Adjustment and Retraining Notification (CalWARN) Act requires that before an employer with 75 or more employees orders a mass layoff, relocation, or termination at a covered establishment, they must, at least 60 days before the order takes effect, give written notice to:

- The employees of the covered establishment affected by the order; **and**
- The California Employment Development Department, the local workforce development board (LWDB), and the chief elected official of each city and county government within which the mass layoff, relocation, or termination occurs.

Under the CalWARN Act, notices are required from covered employers for mass layoffs of 50 or more employees within a 30-day period, relocations of at least 100 miles affecting any amount of employees, and closures.

Senate Bill 617:

Effective January 1, 2026, Senate Bill 617 requires that CalWARN Act notices indicate whether the employer plans to coordinate services through the LWDB, through a different entity, or not at all.

The law also requires that, regardless of whether an employer chooses to coordinate services through the LWDB or another entity, the employer must include in the CalWARN notice a functioning email and telephone number of the LWDB and the following description of the rapid response activities of the LWDB:

Local Workforce Development Boards and their partners help laid off workers find new jobs. Visit an America's Job Center of California location near you. You can get help with your resume, practice interviewing, search for jobs, and more. You can also learn about training programs to help start a new career.

If an employer chooses to coordinate services with the LWDB or another entity, the employer must arrange the services within 30 days of the date of the notice.

Beginning January 1, 2026, covered employers must also include in the CalWARN notice a description of the statewide food assistance program CalFresh, the CalFresh benefits helpline, and a link to the CalFresh internet website.

The law also requires employers to include their email address and telephone number in the CalWARN notice.

Next Steps:

Covered employers should review notice procedures for mass layoffs and other covered actions for compliance with the new law.

California Expands Employee Access to Their Personnel Records

The Details:

Background:

Under [Section 1198.5 of the California Labor Code](#), employers must grant current and former employees, or their representative, the right to inspect and receive a copy of personnel records maintained by the employer relating to the employee's performance, or to any grievance concerning the employee.

Senate Bill 513:

Effective January 1, 2026, Senate Bill 513 amends Section 1198.5 to add that personnel records "relating to the employee's performance" include those that involve education or training.

Further, an employer that maintains education or training records must ensure that those records in the employee's personnel files include all of the following:

- The name of the employee
- The name of the training provider
- The duration and date of the training
- The core competencies of a training, including skills in equipment or software; and
- The resulting certification or qualification

Next Steps:

Employers should review policies, practices and training to ensure compliance with the amended law.

California Extends Recall Rights of Certain Laid-Off Workers

The Details:

Assembly Bill 858:

Assembly Bill 858 extends Section 2810.8 through **December 31, 2026**.

Background:

Under [Section 2810.8 of the California Labor Code](#), certain employers in the hospitality, service, and travel industries must provide information to their "laid-off employees" about job positions that become available for which the laid-off employees are qualified, and to offer positions to those laid-off employees based on their length of service.

Specifically, Section 2810.8 of the Labor Code applies to:

- Hotels with 50 or more guest rooms.
- Private clubs that operate a building or complex of buildings containing at least 50 guest rooms or suites that are offered as overnight lodging to members.
- Event centers with a structure of more than 50,000 square feet or 1,000 seats.

- Airport hospitality operations that prepare, deliver, inspect, or provide any other service in connection with the preparation of food or beverage for aircraft crew or passengers at an airport, or that provides food and beverage, retail, or other consumer goods or services to the public at an airport.
- Airport service providers that perform functions on the property of the airport that are directly related to air transportation.
- Entities that provide janitorial, building maintenance, or security services to office, retail, or other commercial buildings.

Under Section 2810.8, a "laid-off employee" is one who was employed by the employer for six months or more and whose most recent separation from active employment by the employer occurred on or after March 4, 2020, and was due to a reason related to the COVID-19 pandemic, including a public health directive or reduction in force, among other reasons.

Section 2810.8 also includes recordkeeping requirements for employers and prohibits an employer from refusing to employ, terminating, reducing compensation, or taking other adverse action against a laid-off employee for seeking to enforce their rights under the law.

Section 2810.8 was set to expire at the end of 2025.

Next Steps:

If you are covered by the law, review policies, practices and training to ensure compliance with the extension.

California to Expand Paid Family Leave Program

The Details:

Background:

Under the state's paid family leave (PFL) program, eligible employees may receive up to eight weeks of wage replacement benefits within a 12-month period to take time off from work for the following reasons:

- To care for a family member with a serious health condition;
- To bond with a minor child within one year of the birth or placement of the child in connection with foster care or adoption; and
- To participate in a qualifying event because of a family member's military deployment.

Note: California's PFL law doesn't specifically offer job protection, but an employee's absence may be protected under the federal Family and Medical Leave Act, California Family Rights Act, paid sick leave or other laws.

Senate Bill 590:

Effective July 1, 2028, Senate Bill 590 expands eligibility for benefits under the PFL program to include individuals who take time off work to care for a "designated person" with a serious health condition.

Senate Bill 590 defines "designated person" as any care recipient related by blood or whose association with the individual is the equivalent of a family relationship.

When an individual requests PFL benefits from the state for the first time to care for a designated person, the individual will be required to do both of the following:

- Identify the designated person.
- Under penalty of perjury, attest to either of the following:
 - o How the individual is related by blood to the designated person.
 - o How the individual's association with the designated person is the equivalent of a family relationship.

Next Steps:

Review policies, practices and training to ensure compliance with the amended law.

California to Require Employers to Provide New Annual Notice

The Details:

Senate Bill 294:

On or before February 1, 2026, and annually thereafter, an employer must provide a new stand-alone written notice to each current employee in a manner the employer normally uses to communicate employment-related information. This may include, but is not limited to, personal service, email, or text message, if it can reasonably be anticipated to be received by the employee within one business day of sending.

Employers must also provide a notice to each new employee upon hire.

Written notice must also be provided annually to the employee's authorized representative, if any, by either electronic or regular mail.

The Labor Commissioner's office is required to post on its website a template notice on or before January 1, 2026. The office must update the template annually thereafter.

The Labor Commissioner's office must make the template available in different languages, including English, Spanish, Chinese, Tagalog, Vietnamese, Korean, Hindi, Urdu, and Punjabi. The Labor Commissioner may also provide the template notice in additional languages.

On or before July 1, 2026, the Labor Commissioner's office must develop a video for employees advising them of their rights and develop a video for employers advising them of their rights and requirements in those areas.

Notice Contents:

The notice must contain a description of workers' rights in the following areas:

- The right to workers' compensation benefits, including disability pay and medical care for work-related injuries or illness, as well as the contact information for the California Division of Workers' Compensation (DWC).
- The right to notice of inspection by immigration agencies [under state law](#).
- Protection against unfair immigration-related practices against a person exercising their rights.
- The right to organize a union or engage in concerted activity in the workplace.
- Constitutional rights when interacting with law enforcement at the workplace, including an employee's right under the Fourth Amendment to the U.S. Constitution to be free from unreasonable searches and seizures, and rights under the Fifth Amendment to the U.S. Constitution to due process and against self-incrimination.

The notice must also contain both of the following:

- A description of new legal developments pertaining to laws enforced by the Labor and Workforce Development Agency that the Labor Commissioner deems material and necessary. The Labor Commissioner must include a list of those developments, if any, in the template notice.
- A list, developed by the Labor Commissioner, of the enforcement agencies that may enforce the underlying rights in the notice. The Labor Commissioner must also include this list in the template notice.

Other Rules:

The written notice must be provided to an employee in the language the employer normally uses to communicate employment-related information to the employee and which the employee understands if the template notice is available in that language on the Labor Commissioner's website.

If the template notice isn't available in that language, the written notice may be provided in English.

An employer may, in addition to the required written notice, choose to provide a link to, or show, the video to be developed by the Labor Commissioner's office.

An employer must keep records of compliance with the requirements of Senate Bill 294 for three years, including the date that each written notice is provided or sent.

The law also includes requirements for situations in which an employee is arrested or detained at the worksite or during work hours. For example, employers must provide each employee with an opportunity to name an emergency contact for such situations no later than March 30, 2026, or their date of hire, whichever is later. See [the text of the law for details](#).

Next Steps:

Employers should monitor the Labor Commissioner's website for the release of the template notice and then provide a compliant notice to employees and new hires as required.

Rhode Island Expands Temporary Caregiver and Disability Insurance Benefits

The Details:

Rhode Island has enacted legislation (House Bill 6066), which expands the definition of a covered family member under the TCI leave law to include siblings (children with a common parent, including biological, half, step, foster and adopted siblings). House Bill 6066 is effective **January 1, 2026**.

Note: House Bill 6066 also increases the taxable wage base for Temporary Disability Insurance (TDI) from \$38,000 to an amount (to be determined by the Rhode Island Department of Labor and Training) to match the annual earnings required to qualify for the maximum weekly benefit and duration under the program.

Background:

Rhode Island provides wage replacement benefits through temporary caregiver insurance to covered employees who take time off work to care for a seriously ill child, spouse, domestic partner, parent, parent-in-law, grandparent or to bond with a new child.

Next Steps:

Review the changes under the law and update TCI policies to include siblings as eligible family members by January 1, 2026.

Local

San Diego Increases Minimum Wage for Hospitality Workers

The Details:

San Diego's City Council has enacted an [ordinance](#) to raise the minimum wage for many hospitality workers to \$25.00 per hour, a sector-specific ordinance that will be phased in over several years and affects large hotels, event venues and major attractions.

The ordinance applies to employees at hotels with 150 or more rooms, and to staff at large event centers, amusement parks (e.g. Petco Park, Pechanga Arena, San Diego Convention Center) and comparable tourism venues. The increase will be phased in beginning July 1, 2026 with event center roles starting higher initially and hotel and amusement-park roles beginning at a lower step – culminating in \$25.00 per hour by July 1, 2030.

Hospitality Employers:

Under the ordinance, hospitality employers must pay employees at least the amounts noted below per hour:

July 1, 2026	\$19.00
July 1, 2027	\$20.50
July 1, 2028	\$22.00
July 1, 2029	\$23.50
July 1, 2030	\$25.00

As of July 1, 2031, and each year thereafter, the minimum wage will be increased by the "cost of living."

Hospitality Employers at Event Centers:

Hospitality employers at event centers must be paid at least the following hourly rates:

July 1, 2026	\$21.06
July 1, 2027	\$22.00
July 1, 2028	\$23.00
July 1, 2029	\$24.00
July 1, 2030	\$25.00

As of July 1, 2031, and each year thereafter, the minimum wage will be increased by the "cost of living."

Next Steps:

Prior to July 1, 2026, San Diego employers should review the [ordinance](#) to determine if their business is considered a "hospitality employer" and if yes, whether or not, the business is operating at an "event center" as defined by the ordinance. Also, hospitality employers should review and comply with the required posting and notice requirements.

Minimum Wage

Minimum Wage Announcements – 10/21/25 – 11/20/25

The following states or localities have announced new minimum wage increases.

State or Locality	Minimum Wage Rate	Minimum Tipped Cash Wage	Effective Date(s)	New or Updated Poster Requirement?	Notes
Tucson, AZ	\$15.45	\$12.45	1/1/26	Yes	Once available found here
Foster City, CA	\$17.85	\$17.85*	1/1/26	Yes	
Half Moon Bay, CA	\$17.91	\$17.91*	1/1/26	Yes	Once available found here
Hayward, CA (26 or more EEs)	\$17.79	\$17.79*	1/1/26	Yes	
Hayward, CA (25 or less EEs)	\$16.90	\$16.90*	1/1/26	Yes	
Menlo Park, CA	\$17.55	\$17.55*	1/1/26	Yes	Once available found here
Mountain View, CA	\$19.70	\$19.70*	1/1/26	Yes	
Novato, CA (100 or more EEs)	\$17.73	\$17.73*	1/1/26	Yes	
Novato, CA (26-99 EEs)	\$17.46	\$17.46*	1/1/26	Yes	
Novato, CA (25 or less EEs)	\$16.90	\$16.90*	1/1/26	Yes	
Petaluma, CA	\$18.31	\$18.31*	1/1/26	Yes	
Redwood City, CA	\$18.65	\$18.65*	1/1/26	Yes	
San Diego (Hospitality Workers: e.g. Workers at Hotels with 150 or more workers)	\$17.75 (1/1/26) \$19.00 (7/1/26) \$20.50 (7/1/27) \$22.00 (7/1/28) \$23.50 (7/1/29) \$25.00 (7/1/30)	Same as previous column*	See Column titled Minimum Wage Rate	Yes	San Diego will provide by 4.1.26
San Diego (Hospitality Workers at Event Centers such as Petco Park and San Diego Convention Center)	\$17.75 (1/1/26) \$21.06 (7/1/26) \$22.00 (7/1/27) \$23.00 (7/1/28) \$24.00 (7/1/29) \$25.00 (7/1/30)	Same as previous column*	See Column titled Minimum Wage Rate	Yes	San Diego will provide by 4.1.26
San Mateo County (Unincorporated Areas)	\$17.95	\$17.95*	1/1/26	Yes	
Santa Rosa, CA	\$18.21	\$18.21*	1/1/26	Yes	
South San Francisco, CA	\$18.15	\$18.15*	1/1/26	Yes	
Sunnyvale, CA	\$19.50	\$19.50*	1/1/26	Yes	Once available found here
West Hollywood, CA	\$20.25	\$20.25*	1/1/26	Yes	

State or Locality	Minimum Wage Rate	Minimum Tipped Cash Wage	Effective Date(s)	New or Updated Poster Requirement?	Notes
Rockland, ME	\$16.00	\$8.00	1/1/26	Yes	
St. Paul, MN (Employs 101 or more EEs)	\$16.37	\$16.37*	1/1/26	Yes	
St. Paul, MN (Employs 6-100 EEs)	\$15.00 \$16.37	\$15.00* \$16.37*	1/1/26 7/1/26	Yes	
St. Paul, MN (Employs 5 or less EEs)	\$13.25 \$14.25	\$13.25* \$14.25*	1/1//26 7/1/26	Yes	
New Jersey (6 or more EEs)	\$15.92	\$6.05	1/1/26		Once available found here
New Jersey (5 or less EEs and Seasonal EEs)	\$15.23	\$6.05	1/1/26		Once available found here
Everett, WA (500 or more EEs)	\$20.77	\$20.77*	1/1/26	Yes	
Everett, WA (15-499 EEs OR has annual gross revenue over \$2 million in Everett even if less than 15 EEs)	\$18.77	\$18.77*	1/1/26	Yes	

*CA, MN, and WA do not allow the use of tip credit.

[Download a PDF of a comprehensive listing of state and local minimum wage rates.](#)

ADP Compliance Resources

ADP maintains a staff of dedicated professionals who carefully monitor federal and state legislative and regulatory measures affecting employment-related human resource, payroll, tax and benefits administration, and help ensure that ADP systems are updated as relevant laws evolve. For the latest on how federal and state tax law changes may impact your business, visit the ADP **Eye on Washington** Web page located at www.adp.com/regulatorynews.

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