

California's Pandemic-Related Recall Rights for Hospitality Workers Extended Until 2027: 5 Key Points for Employers

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California's COVID-19-related rehire protections for hospitality workers – which were set to expire at the end of this year – will now remain in effect until January 1, 2027, thanks to a new bill Gov. Gavin Newsom signed into law on October 3. <u>AB 858</u> marks the second one-year extension to the state law enacted in 2021 and originally set to sunset in 2024. Since these rules aren't going anywhere just yet, now is a good time for covered employers to brush up on their obligations. We'll give you some quick background and five key points to help you stay compliant.

Quick Background

California Labor Code Section 2810.8 was enacted in 2021 in response to the widespread layoffs in the hospitality industry caused by the COVID-19 pandemic. The law aims to provide economic security and job stability for workers disproportionately affected by pandemic-related closures, reductions in force, or another economic non-disciplinary reason.

5 Refresher Points for Hospitality Employers in California

The statute requires covered employers to offer open positions, in order of seniority, to qualified employees who were laid off for a COVID-19-related reason before hiring new workers.

- **Covered Employers:** The law applies to employers who offer a range of hospitality-related services, including hotels, private clubs, event centers, airport hospitality operations, airport service providers, and building services to commercial buildings (i.e., janitorial, maintenance, and security).
- **Eligible Employees:** To be eligible, an employee must have (1) worked two or more hours for the covered employer; (2) been employed for at least six months; and (3) been laid off on or after March 4, 2020, due to a COVID-19 pandemic-related reason.
- When Rehire Obligations are Required: Rehiring protections and rights are triggered when new positions become available. Within five business days, a covered employer is required to notify, in writing, qualified laid-off employees of open positions and to offer reemployment in order of seniority.
- **Enforcement Agency and Violations.** The law is exclusively enforced by the California Division of Labor Standards Enforcement (DLSE). For violations, the DLSE may order reinstatement, front

- and back pay, and benefits as a remedy for laid-off employees. In addition, the DLSE may impose monetary penalties on covered employers that violate the rules.
- **Enforceability After Sunset Date.** The DLSE may continue to enforce violations that occur on or before December 31, 2026, even after the law expires. This is particularly relevant to violations that go undiscovered or unreported until after the statutory period has ended.

Conclusion

If you have any questions, contact your Fisher Phillips attorney, the author of this Insight, or any attorney in our <u>California offices</u>. Make sure you are subscribed to <u>Fisher Phillips' Insight System</u> to receive the latest developments straight to your inbox.

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