

Insights, News & Events

# EMPLOYER GUIDE TO CALIFORNIA'S NEW WORKPLACE LAWS COMING IN 2026 (AND BEYOND)

Insights  
Oct 14, 2025

California lawmakers were busy this year, and Gov. Gavin Newsom just signed many bills into law that will impact the workplace starting in 2026. Here is a snapshot guide of some of the top new workplace laws taking effect January 1 (except as otherwise noted), plus links to our deeper dive insights, which include practical compliance tips for employers. We'll also cover a few key vetoes that will give you a sigh of relief.

## Top 11 California Workplace Laws Taking Effect in 2026 (and Beyond)

### 1. Large AI Transparency Law for Frontier Models (**SB 53**)

The Transparency in Frontier Artificial Intelligence Act is the nation's first comprehensive attempt to require safety and transparency reporting for the most powerful artificial intelligence systems. This move comes one year after Gov. Newsom vetoed a broader AI safety bill that drew criticism for imposing heavy-handed mandates.

While the new law represents a strategic shift, it includes core requirements for frontier developers, as well as other provisions that impact tech companies, such as whistleblower protections and a new framework for a public cloud cluster.

For our full FP deep dive on SB 53, click [here](#).

### 2. 30-Day Window to Provide Data Breach Notifications (**SB 446**)

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California just joined the growing list of states to require data breach notifications to be required within a certain amount of time. The state's new strict and challenging 30-day timeframe puts pressure on organizations to act quickly – sometimes before they can complete an investigation and have all the facts.

For our full FP deep dive on SB 446, click [here](#).

### 3. New “Workplace Know Your Rights Act” ([SB 294](#))

Employers must provide an annual written notice to each current employee that explains certain workers' protections against unfair immigration-related practices and their constitutional rights when interacting with law enforcement in the workplace. The first notice must be provided on or before **February 1, 2026** (the state's Department of Labor Standards Enforcement is expected to post a template notice by January 1).

In addition, employers must, if requested by the employee, notify their designated emergency contact in the event the employee is arrested or detained at work, and employers must give employees an opportunity to designate this emergency contact no later than **March 30, 2026** (or at the time of hire for employees hired after that date).

For our full FP deep dive on SB 294, click [here](#).

### 4. State Power Over Labor Disputes in the Private Sector ([AB 288](#))

Starting in 2026, the California Public Employment Relations Board will be authorized to decide unfair labor practice cases (and order appropriate relief for violations, including civil penalties) in the private sector when the charge or petition is brought by a worker who:

- is employed in a position covered by the National Labor Relations Act (NLRA) as of January 1, 2025; and
- loses coverage under the NLRA because the federal law is repealed or narrowed, or because the NLRB has ceded jurisdiction to the states.

However, as more states consider measures to protect workers as federal labor regulation remains uncertain, the NLRB is pushing back. Read more [here](#).

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[Ed. Note: The NLRB is now challenging AB 288 in a federal district court in California. In a lawsuit filed on October 15, the agency asked the court to strike down the new labor law as unconstitutional and to temporarily block California and the state's Public Employment Relations Board from enforcing it while the lawsuit plays out in court.]

## 5. Ban on "Stay-or-Pay" Provisions ([AB 692](#))

California will soon ban many "stay-or-pay" contracts, including training repayment agreements, as part of the state's continued emphasis on employee mobility. However, the ban will not apply to some of the most common arrangements, like tuition reimbursement and retention bonus repayment, so long as employers stay within new statutory guardrails.

For our full FP deep dive on AB 692, click [here](#).

## 6. Paid Family Leave Benefits to Care for "Designated Persons" ([SB 590](#))

Starting **July 1, 2028**, California will allow eligible individuals to receive paid family leave benefits to care for a seriously ill "designated person" – meaning any blood relative or individual who is the equivalent of family, even if the individual is not biologically or legally related to the employee. (Note that, [since 2023](#), California has required employers to provide their employees with *unpaid* leave to care for a designated person.)

For our full FP deep dive on SB 590, click [here](#).

## 7. Updates to Job Posting Requirements and Equal Pay Act ([SB 642](#))

This new law updates California's requirement to provide pay scales in job postings by redefining "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." The law also makes significant changes to California's Equal Pay Act, including extending the statute of limitations for pay discrimination claims to three years and allowing potential recovery of lost wages up to six years.

For our full FP deep dive on SB 642, click [here](#).

## 8. Mandatory Penalties for Pay Data Reporting Failures ([SB 464](#))

Civil penalties for failures to comply with the state's pay data reporting requirements will soon become mandatory. Starting January 1, courts will be required (rather than permitted, which is the case under current law) to impose such penalties upon the request of the Civil Rights Department. In addition, "job categories" that must be covered in pay data reports will increase in 2027 from 10 to 23 specified categories.

## **9. Pandemic-Related Recall Rights Extended Again ([AB 858](#))**

California's rehire protections for hospitality workers who were laid off for a COVID-19-related reason – which were set to expire at the end of this year – will now remain in effect until January 1, 2027.

Read more [here](#).

## **10. Cal-WARN Notice Changes ([SB 617](#))**

Layoffs, facility closures, and employee relocations can potentially trigger an employer's duty to give employees advance notice of a layoff or certain other workplace events, and a new law expands what's required to be included in those notices.

Learn more [here](#).

## **11. New Risks for Unsatisfied Wage Judgments ([SB 261](#))**

A new law significantly increases the risks for employers with unpaid wage judgments by introducing triple penalties, mandatory attorneys' fees, and broader prosecutorial authority for the Labor Commissioner's Office.

For our full FP deep dive on SB 261, click [here](#).

## **3 Biggest Workplace-Related Vetoes**

Besides the laws that were passed and finalized, Gov. Newsom vetoed a slew of bills brought to his desk – including three proposals that would have significantly impacted employers.

### **1. No Robo Bosses Act ([SB 7](#))**

Newsom vetoed the much-watched "No Robo Bosses Act," a measure that would have placed strict limits on how

employers use AI in discipline, termination, and scheduling decisions. While the Governor acknowledged the growing risks of automated workplace tools, he [concluded](#) the bill was overbroad, duplicative of existing regulation, and potentially harmful to California businesses.

This move will have an impact on employers not only in the Golden State but across the country as regulators from coast to coast struggle with how – and whether – to regulate artificial intelligence in the workplace.

For our full review of the veto and what it means for employers, click [here](#).

## 2. Immigration Enforcement ([AB 1136](#))

This bill would have required employers to provide workers with up to five unpaid days per year to attend to matters dealing with immigration status or work authorization, as well as reinstatement rights (for up to two years) for employees who have been terminated due to lack of proper work authorization but subsequently produce it.

In an October 13 [veto message](#), Newsom said that this measure could “cause significant confusion for both employees and employers, exacerbated by the shifting tactics of federal law enforcement.”

## 3. Right to a Health Mask ([AB 1326](#))

This bill would have given individuals the right to wear health masks at work and other “public settings.” Newsom [said](#) he vetoed AB 1326 because existing law “appears sufficient to allow a person to wear a mask for health reasons in most public situations,” and because a sweeping policy with numerous exceptions could have created confusion.

## Conclusion

If you have any questions, contact your Fisher Phillips attorney, the author of this Insight, or any attorney in our [California offices](#). Make sure you are subscribed to [Fisher Phillips' Insight System](#) to receive the latest developments straight to your inbox.