

AMENDED IN SENATE AUGUST 26, 2002  
AMENDED IN SENATE AUGUST 19, 2002  
AMENDED IN SENATE FEBRUARY 12, 2002  
AMENDED IN SENATE SEPTEMBER 14, 2001  
CALIFORNIA LEGISLATURE—2001-02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1677**

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**Introduced by Assembly Member Koretz**

February 28, 2001

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An act to amend Sections 221, 512, and 2674.1 of, to add Sections 512.5 and 1172 to, and to repeal and add Section 515.6 of, the Labor Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1677, as amended, Koretz. Working conditions.

(1) Existing law prohibits an employer from collecting or receiving any portion of the wages paid by the employer to an employee.

This bill would *create a state-mandated local program in that it would* prohibit employers from charging their employees a fee for cashing an employee's payroll check, *subject to misdemeanor penalties contained in existing law.*

(2) Existing law requires employers to provide meal periods to employees during work periods of specified durations longer than certain specified lengths.

This bill would exempt employers from the meal period requirement for certain employees in the wholesale baking industry who are covered

by a valid collective bargaining agreement that contains specified terms.

(3) Existing law requires private employers to provide meal periods and rest breaks at certain intervals to employees who operate commercial motor vehicles.

This bill would require that public employees who operate commercial motor vehicles be subject to the same regulations regarding meal and rest periods as their private employee counterparts, or to receive equivalent protections through a collective bargaining agreement.

(4) Existing law establishes specific requirements relating to the wages, hours and working conditions of employees in this state.

This bill provides that the requirements relating to working hours do not apply to an employee who is a licensed physician or surgeon, with specific requirements.

This bill would define the term “hours worked,” as used in regulations and orders adopted pursuant to existing law, to mean the time during which an employee is subject to the control of the employer, including all of the time that the employee is suffered or permitted to work, regardless of whether the employee is required to work.

(5) Existing law requires the Labor Commissioner to appoint an advisory committee on garment manufacturing.

This bill would require the commissioner to make the appointments to the garment manufacturing advisory committee by no later than January 31, 2002.

The bill would also make technical, nonsubstantive changes to existing law.

~~(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.~~

~~This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the~~



state. Statutory provisions establish procedures for making that reimbursement.

*This bill would provide that no reimbursement is required by this act for a specified reason.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 221 of the Labor Code is amended to  
2 read:

3 221. (a) It is unlawful for any employer to collect or receive  
4 from an employee any part of wages theretofore paid by the  
5 employer to the employee.

6 (b) It is unlawful for any employer or agent of an employer to  
7 charge a fee for cashing a payroll check.

8 SEC. 2. Section 512 of the Labor Code is amended to read:

9 512. (a) An employer may not employ an employee for a  
10 work period of more than five hours per day without providing the  
11 employee with a meal period of not less than 30 minutes, except  
12 that if the total work period per day of the employee is no more than  
13 six hours, the meal period may be waived by mutual consent of  
14 both the employer and employee. An employer may not employ  
15 an employee for a work period of more than 10 hours per day  
16 without providing the employee with a second meal period of not  
17 less than 30 minutes, except that if the total hours worked is no  
18 more than 12 hours, the second meal period may be waived by  
19 mutual consent of the employer and the employee only if the first  
20 meal period was not waived.

21 (b) Notwithstanding subdivision (a), the Industrial Welfare  
22 Commission may adopt a working condition order permitting a  
23 meal period to commence after six hours of work if the  
24 commission determines that the order is consistent with the health  
25 and welfare of the affected employees.

26 (c) Subdivision (a) does not apply to an employee in the  
27 wholesale baking industry who is subject to an Industrial Welfare  
28 Commission Wage Order and who is covered by a valid collective  
29 bargaining agreement that provides for a 35-hour workweek  
30 consisting of five seven-hour days, payment of time worked in  
31 excess of a seven-hour day at the rate of one and one-half times the



1 regular rate of pay, and a rest period of no less than 10 minutes  
2 every two hours.

3 SEC. 3. Section 512.5 is added to the Labor Code, to read:

4 512.5. (a) An employee of a public agency who operates a  
5 commercial motor vehicle is subject to the same regulations of the  
6 Industrial Welfare Commission regarding meal periods and rest  
7 breaks as employees of a private employer engaged in the same  
8 occupation. However, nothing in this section prohibits a public  
9 agency and a labor organization representing commercial drivers  
10 from establishing, pursuant to a valid collective bargaining  
11 agreement, an alternative schedule of meal periods and rest breaks  
12 that provides equivalent protection to employees.

13 (b) For purposes of this section, “public agency” means the  
14 State of California and any political subdivision thereof, including  
15 any city, county, or special district.

16 (c) For purposes of this section, “commercial motor vehicle”  
17 has the same meaning as provided in subdivision (b) of Section  
18 15210 of the Vehicle Code.

19 (d) For the purposes of this section, “equivalent protection”  
20 means that meal periods and rest breaks are the same duration as  
21 those provided under the wage orders of the Industrial Welfare  
22 Commission and these meal periods and rest breaks are considered  
23 hours worked.

24 SEC. 4. Section 515.6 of the Labor Code, as added by Section  
25 3 of Chapter 148 of the Statutes of 2001, is repealed.

26 SEC. 5. Section 515.6 is added to the Labor Code, to read:

27 515.6. (a) Section 510 does not apply to ~~any~~ *an* employee  
28 who is a licensed physician or surgeon who is primarily engaged  
29 in duties that require licensure pursuant to Chapter 5 (commencing  
30 with Section 2000) of Division 2 of the Business and Professions  
31 Code, and whose hourly rate of pay is equal to or greater than  
32 fifty-five dollars (\$55.00). The Division of Labor Statistics and  
33 Research shall adjust this threshold rate of pay each October 1, to  
34 be effective the following January 1, by an amount equal to the  
35 percentage increase in the California Consumer Price Index for  
36 Urban Wage Earners and Clerical Workers.

37 (b) The exemption provided in subdivision (a) ~~shall~~ *does* not  
38 apply to an employee employed in a medical internship or resident  
39 program or to a physician employee covered by a valid collective  
40 bargaining agreement pursuant to Section 514.



1 SEC. 6. Section 1172 is added to the Labor Code, to read:

2 1172. For the purpose of regulations and orders adopted  
3 pursuant to this chapter, “hours worked” means the time during  
4 which an employee is subject to the control of the employer and  
5 includes all of the time that the employee is suffered or permitted  
6 to work, regardless of whether the employee is required to work.

7 SEC. 7. Section 2674.1 of the Labor Code is amended to read:

8 2674.1. The commissioner shall, not later than January 31,  
9 2003, appoint an advisory committee on garment manufacturing  
10 to advise him or her of common industry problems and to effect  
11 liaison between his or her office and various segments of the  
12 industry. The committee shall consist of a cross section of the  
13 industry and shall include representatives of unions, employees,  
14 contractor associations, jobbers, and manufacturers.

15 SEC. 8. Section 6 of this act is declarative of existing law and  
16 shall not be deemed to alter, modify, or otherwise affect any  
17 provision of existing law or any wage order of the Industrial  
18 Welfare Commission.

19 ~~SEC. 9. Notwithstanding Section 17610 of the Government~~  
20 ~~Code, if the Commission on State Mandates determines that this~~  
21 ~~act contains costs mandated by the state, reimbursement to local~~  
22 ~~agencies and school districts for those costs shall be made pursuant~~  
23 ~~to Part 7 (commencing with Section 17500) of Division 4 of Title~~  
24 ~~2 of the Government Code. If the statewide cost of the claim for~~  
25 ~~reimbursement does not exceed one million dollars (\$1,000,000),~~  
26 ~~reimbursement shall be made from the State Mandates Claims~~  
27 ~~Fund.~~

28 *SEC. 9. No reimbursement is required by this act pursuant to*  
29 *Section 6 of Article XIII B of the California Constitution because*  
30 *the only costs that may be incurred by a local agency or school*  
31 *district will be incurred because this act creates a new crime or*  
32 *infraction, eliminates a crime or infraction, or changes the penalty*  
33 *for a crime or infraction, within the meaning of Section 17556 of*  
34 *the Government Code, or changes the definition of a crime within*  
35 *the meaning of Section 6 of Article XIII B of the California*  
36 *Constitution.*

