

AMENDED IN ASSEMBLY SEPTEMBER 9, 1999  
AMENDED IN ASSEMBLY SEPTEMBER 8, 1999  
AMENDED IN ASSEMBLY SEPTEMBER 7, 1999  
AMENDED IN ASSEMBLY SEPTEMBER 3, 1999  
AMENDED IN ASSEMBLY JULY 12, 1999  
AMENDED IN SENATE JUNE 2, 1999  
AMENDED IN SENATE APRIL 27, 1999  
AMENDED IN SENATE APRIL 6, 1999

**SENATE BILL**

**No. 460**

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**Introduced by Senator Hayden**

February 17, 1999

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An act to add Sections 1174.2, ~~2671.5, and 2673.1~~ and 2671.5 to the Labor Code, relating to employers.

LEGISLATIVE COUNSEL'S DIGEST

SB 460, as amended, Hayden. Employee wages.

Existing law requires employers to keep payroll records showing the hours worked and the wages paid to employees and to provide itemized statements to employees at the time of payment of wages.

This bill would create a rebuttable presumption in an action for the nonpayment of wages that if an employer fails to keep required payroll records or fails to provide required wage

deduction statements, an employee’s claim of hours worked would be valid.

Existing law requires persons carrying out garment manufacturing to register with the Labor Commissioner and to pay specified registration fees.

This bill would require that apparel procured by the state for its use be produced by registered contractors and registered manufacturers if it is manufactured in California. The bill would require the commissioner to convene a task force to determine if any public funds are expended for procurement or purchase of textiles or apparel used by state or local government that are produced in sweatshops, as defined, and would require a report to the Legislature on or before September 1, 2000.

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

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

1 SECTION 1. Section 1174.2 is added to the Labor  
2 Code, to read:

3 1174.2. In any action brought for the nonpayment of  
4 wages, there is a rebuttable presumption affecting the  
5 burden of proof that an employee’s claim of hours worked  
6 is valid if the employer fails to keep accurate and  
7 contemporaneous records pursuant to subdivision (d) of  
8 Section 1174 or Section 2673 or fails to provide itemized  
9 wage deduction statements pursuant to Section 226.

10 SEC. 2. Section 2671.5 is added to the Labor Code, to  
11 read:

12 2671.5. (a) It is the intent of the Legislature that  
13 California set an example in the elimination of sweatshops  
14 through its public policies, including state procurement  
15 policies. The state’s goal should be to avoid purchasing,  
16 leasing, renting, contracting for, or taking on  
17 consignment goods or services produced under  
18 sweatshop conditions.

19 (b) Any apparel procured by the state for its own use  
20 or that of its employees, and that is manufactured in  
21 California, shall be required to be produced by registered



1 contractors and registered manufacturers. The state may  
2 not procure apparel for its own use, or that of its  
3 employees, that is manufactured within California by  
4 unregistered contractors or unregistered manufacturers.

5 (c) The commissioner shall convene a broad-based  
6 task force to determine whether any public funds are  
7 expended for the procurement or purchase of textiles,  
8 apparel, or other products used by state or local  
9 government that are produced in sweatshops in  
10 California or elsewhere.

11 (d) The task force shall be composed of procurement  
12 officials of state and local agencies and advocates and  
13 experts on the issue of sweatshop labor.

14 (e) Based on the task force's consideration, the  
15 commissioner shall determine whether bidders on state  
16 contracts should make specific disclosures of  
17 subcontractors and sites, and make commitments to  
18 eliminate sweatshop conditions in their workplaces  
19 regardless of the place of manufacturing, whether in  
20 California or elsewhere.

21 (f) The commissioner shall report the findings of the  
22 task force to the Legislature no later than September 1,  
23 2000, and make a preliminary report no later than May 1,  
24 2000.

25 ~~SEC. 3. Section 2673.1 is added to the Labor Code, to~~  
26 ~~read:~~

27 ~~2673.1. (a) Thousands of California workers continue~~  
28 ~~to work in sweatshop conditions where violations of labor~~  
29 ~~and health and safety laws are rampant, and enforcement~~  
30 ~~of the law has been minimal.~~

31 ~~(b) Many of these workers are from families of~~  
32 ~~undocumented immigrants who lack many of the~~  
33 ~~protections of a democratic society.~~

34 ~~(c) The underclass culture perpetuated by these~~  
35 ~~conditions creates immense social costs for health care,~~  
36 ~~other social services, and law enforcement.~~

37 ~~(d) The existence of sweatshops creates an unfair~~  
38 ~~competitive advantage over small businesses that obey~~  
39 ~~existing labor and health and safety laws.~~



1 ~~(e) The existence of sweatshops in an affluent society~~  
2 ~~is unjust and immoral and a blight on the broader quality~~  
3 ~~of life.~~

4 ~~(f) Improved working conditions for low wage~~  
5 ~~workers in sweatshops would lead to economic~~  
6 ~~betterment for their families, greater consumer spending~~  
7 ~~in the inner city, and a greater atmosphere of hope rather~~  
8 ~~than despair.~~

