



AGENDA

**HUMAN RESOURCES COMMITTEE
A COMMITTEE OF THE BOARD OF DIRECTORS**

**REGULAR MEETING
Wednesday, January 21, 2026
9:00 AM
Administration Boardroom
600 N. Highland Springs Avenue, Banning, CA 92220**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at (951) 769-2101. **Notification 48 hours prior to the meeting** will enable the Hospital to make reasonable arrangement to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].

TAB

I. Call to Order S. Rutledge

II. Public Comment

A five-minute limitation shall apply to each member of the public who wishes to address the Human Resources Committee of the Hospital Board of Directors on any matter under the subject jurisdiction of the Committee. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Committee Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the San Gorgonio Memorial Hospital Board of Directors, we want you to know that the Board/Committee acknowledges the comments or concerns that you direct to this Committee. While the Board/Committee may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the CEO, or other Administrative Executive personnel, to do further research and report back to the Board/Committee prior to responding to any issues raised. If you have specific questions, you will receive a response either at the meeting or shortly thereafter. The Board/Committee wants to ensure that it is fully informed before responding, and so if your questions are not addressed during the meeting, this does not indicate a lack of interest on the Board/Committee’s part; a response will be forthcoming.

OLD BUSINESS

III. ***Proposed Action - Approve Minutes** S. Rutledge
 • September 17, 2025, Regular Meeting A

NEW BUSINESS

IV. A. Employment Activity/Turnover Reports A. Karam B

1. Employee Activity by Job Class/Turnover Report (09/01/2025 – 12/31/2025)
2. Separation Reason Analysis – All Associates (09/01/2025 – 12/31/2025)
3. Separation Reason Analysis – Full and Part Time Associates (09/01/2025 – 12/31/2025)
4. Separation Reason Analysis – Per Diem Associates (09/01/2025 – 12/31/2025)
5. FTE Vacancy Summary (09/01/2025 – 12/31/2025)
6. RN Vacancy Summary (09/01/2025 – 12/31/2025)

- B. Workers Compensation report (12/01/2025 – 12/31/2025) C

 - V. * **Proposed Action – Recommend Approval to Hospital Board** A. Karam D
 - **Adopt Resolution No. 2026-03**
 - **ROLL CALL**

 - VI. * **Proposed Action – Recommend Approval to Hospital Board** A. Karam E
 - **Adopt Resolution No. 2026-04**
 - **ROLL CALL**

 - VII. Education A. Karam F
 - New 2026 Labor and Employment Laws
 - Tax Deductions for Tips, Overtime Under One Big, Beautiful Bill Act
 - Employers May Not Induce Employees to Work on Rest Day

 - VIII. Future Agenda Items S. Rutledge

 - IX. Next Meeting: April 15, 2026 @ 9:00am

 - X. Adjourn S. Rutledge
- * Requires Action**

In accordance with The Brown Act, Section 54957.5, all public records relating to an agenda item on this agenda are available for public inspection at the time the document is distributed to all, or a majority of all, members of the Committee. Such records shall be available at the Hospital office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Certification of Posting

I certify that on January 16, 2026, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of San Gorgonio Memorial Hospital Human Resources Committee, and on the San Gorgonio Memorial Hospital website, said time being at least 72 hours in advance of the regular meeting of the Human Resources Committee (*Government Code Section 54954.2*).

Executed at Banning, California, January 16, 2026



Ariel Whitley, Executive Assistant

TAB A

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

HUMAN RESOURCES COMMITTEE
September 17, 2025

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Human Resources Committee was held on Wednesday, September 17, 2025, in the Administration Boardroom, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi, Ron Rader, Steve Rutledge (C)

Excused Absence: None

Staff Present: Steve Barron (CEO), Angela Brady (CNE), Annah Karam (CHRO), Ariel Whitley (Executive Assistant), Dan Heckathorne (CFO), John Peleuses (VP, Ancillary and Support Services)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Call To Order	Steve Rutledge called the meeting to order at 9:02 am.	
Public Comment	No public was present.	
OLD BUSINESS		
Proposed Action - Approve Minutes: July 16, 2025, Regular Meeting	Steve Rutledge asked for any changes or corrections to the minutes of July 16, 2025, regular meeting. There were none.	The minutes of the July 16, 2025, Regular Meeting were reviewed and will stand as presented.
NEW BUSINESS		
Reports		
A. Employment Activity/Turnover Reports		
1. Employee Activity by Job Class/Turnover Report (07/01/2025)	Annah Karam, Chief Human Resources Officer, reviewed the report "Employee Activity by Job Class/Turnover Report" for the period of 07/01/2025 through 08/31/2025 as included in the Committee packet.	

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
<p>through 08/31/2025)</p>		
<p>2. Separation Reasons Analysis All Associates (07/01/2025 through 08/31/2025)</p>	<p>Annah reviewed the “Separation Reason Analysis for All Associates” for the period of 07/01/2025 through 08/31/2025 as included in the Committee packet.</p> <p>For this period, there were 23 Voluntary Separations and 7 Involuntary Separations for a total of 30.</p>	
<p>3. Separation Reason Analysis Full and Part Time Associates (07/01/2025 through 08/31/2025)</p>	<p>Annah reviewed the “Separation Reason Analysis for Full and Part Time Associates” for the period of 07/01/2025 through 08/31/2025 as included in the Committee packet.</p> <p>For this period, there were 13 Voluntary Separations and 4 Involuntary Separations for a total of 17.</p>	
<p>4. Separation Reason Analysis Per Diem Associates (07/01/2025 through 08/31/2025)</p>	<p>Annah reviewed the “Separation Reason Analysis for Per Diem Associates” for the period of 07/01/2025 through 08/31/2025 as included in the Committee packet.</p> <p>For this period, there were 10 Voluntary Separations and 3 Involuntary Separations for a total of 18.</p>	
<p>5. FTE Vacancy Summary (07/01/2025 through 08/31/2025)</p>	<p>Annah reviewed the “FTE Vacancy Summary” for the period of 07/01/2025 through 08/31/2025 as included in the Committee packet.</p> <p>Annah reported that the Facility Wide vacancy rate as of 08/31/2025 was 11.51%.</p>	
<p>6. RN Vacancy Summary (07/01/2025 through 08/31/2025)</p>	<p>Annah reviewed the “RN Vacancy Summary” for the period of 07/01/2025 through 08/31/2025 as included in the Committee packet.</p> <p>Annah reported that the Overall All RN Vacancy rate as of 08/31/2025 was 10.87%.</p>	
<p>B. Workers Compensation Report</p>		

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
Workers Compensation Report (08/01/2025 through 08/31/2025)	Annah reviewed the Workers Compensation Reports covering the period of 08/01/2025 through 08/31/2025 as included in the Committee packet.									
Proposed Action – Recommend Approval to Hospital Board <ul style="list-style-type: none"> • 2026 Associates Health Plan Benefits 	Annah Karam, CHRO, reviewed the Associates Health Plan Benefits package as included in the committee packet. ROLL CALL: <table border="1" data-bbox="407 684 1179 762"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Rader</td> <td>Yes</td> </tr> <tr> <td>Rutledge</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Rader	Yes	Rutledge	Yes	Motion carried.		M.S.C., (Rader/DiBiasi), the SGMH Human Resources Committee voted to recommend approval to the Hospital Board of the 2026 Associates Health Plan Benefits.
DiBiasi	Yes	Rader	Yes							
Rutledge	Yes	Motion carried.								
Proposed Action – Recommend Approval to Hospital Board of Associate Holiday Gift Cards	Annah Karam noted that every year we present associates with holiday gift cards. The value of those gift cards will be as follows: Full time - \$100.00 Part Time - \$75.00 Per Diem - \$15.00 The total dollar amount is \$51,360.00. ROLL CALL: <table border="1" data-bbox="407 1262 1179 1339"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Rader</td> <td>Yes</td> </tr> <tr> <td>Rutledge</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	DiBiasi	Yes	Rader	Yes	Rutledge	Yes	Motion carried.		M.S.C., (Rader/Rutledge), the SGMH Human Resources Committee voted to recommend approval to the Hospital Board of the Associate Holiday Gift Cards.
DiBiasi	Yes	Rader	Yes							
Rutledge	Yes	Motion carried.								
Education	Annah reviewed each education article as included in the committee packet.									
Future Agenda items	<ul style="list-style-type: none"> • Signatory for 403B 									
Next regular meeting	The next regular Human Resources Committee meeting is scheduled for January 21, 2026, @ 9:00 am.									
Adjournment	The meeting was adjourned at 9:46 am.									

In accordance with The Brown Act, *Section 54957.5*, all reports and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Minutes respectfully submitted by Ariel Whitley, Executive Assistant

TAB B

EMPLOYEE ACTIVITY BY JOB CLASS / TURN OVER REPORT

09/01/2025 THROUGH 12/31/2025

JOB CLASS/FAMILY	CURRENT	2024	YTD	CURRENT	2024	YTD	ACTIVE	LOA	CURRENT	ANNUALIZED	
	NEW HIRES	NEW HIRES	NEW HIRES	SEPARATIONS	SEPARATIONS	TERMS	ASSOCIATE	ASSOCIATE	TURNOVER	TURNOVER	
	09/01/2025 THROUGH 12/31/2025		01/01/2025 THROUGH 12/31/2025	09/01/2025 THROUGH 12/31/2025		01/01/2025 THROUGH 12/31/2025	AS OF 12/31/2025	AS OF 12/31/2025	AS OF 12/31/2025		
ADMIN/CLERICAL	7	10	19	4	13	21	82	6	4.88%	25.61%	1
ANCILLARY	11	20	35	15	26	36	81	0	18.52%	44.44%	2
CLS	0	0	1	0	1	1	4	0	0.00%	25.00%	3
DIRECTORS/MGRS	0	0	2	2	3	4	33	0	6.06%	12.12%	4
LVN	0	2	3	0	3	4	16	1	0.00%	25.00%	5
OTHER NURSING	6	17	22	9	14	20	61	0	14.75%	32.79%	6
PT	0	3	1	1	2	2	9	0	11.11%	22.22%	7
RAD TECH	2	6	8	2	4	10	29	1	6.90%	34.48%	8
RN	4	40	47	14	46	45	144	5	9.72%	31.25%	9
RT	0	2	3	2	1	4	22	0	9.09%	18.18%	10
SUPPORT SERVICES	16	28	52	12	47	40	113	4	10.62%	35.40%	11
FACILITY TOTAL	46	128	193	61	160	187	594	17	10.27%	31.48%	12
<i>Full Time</i>	30	78	116	37	89	103	415	13	8.92%	24.82%	13
<i>Part Time</i>	7	11	23	7	25	24	69	3	10.14%	34.78%	14
<i>Per Diem</i>	9	39	54	17	46	60	110	1	15.45%	54.55%	15
TOTAL	46	128	193	61	160	187	594	17	10.27%		16

Current Turnover: J22
 Annualized Turnover: K22

2025 NATIONAL HOSPITAL STAFF TURNOVER RATE = 20.00%

2025 NATIONAL HOSPITAL STAFF - RN TURNOVER RATE = 16.40%

Southern California Hospital Association (HASC) Benchmark:

Turnover for all Associates = 3.00%

Turnover for all RNs = 3.30%

TOTAL ASSOCIATES ON PAYROLL = 611

Southern California Hospital Association (HASC) Benchmark:

Turnover for all PER DIEM Associates = 8.30%

Turnover for all PER DIEM RNs = 7.50%

SEPARATION ANALYSIS
ALL ASSOCIATES
 09/01/2025 THROUGH 12/31/2025

REASON	Current Qtr % by Category	Length Of Service						Total Separations
		Less than 90 days	90 days - 1 year	1-2 years	3-5 years	6-10 years	10+ years	
Involuntary Separations								
Full-Time	26.2%	4	2	3	0	2	5	16
Part-Time	0.0%	0	0	0	0	0	0	0
Per Diem	8.2%	3	2	0	0	0	0	5
Subtotal, Involuntary Separations	34.4%	7	4	3	0	2	5	21
Voluntary Separations								
Full-Time	34.4%	2	6	6	2	3	2	21
Part-Time	11.5%	0	2	0	4	1	0	7
Per Diem	11.5%	1	3	4	3	0	1	12
Subtotal, Voluntary Separations	65.6%	3	11	10	9	4		40

Total Separations	100.0%	10	15	13	9	6	5	61
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DEPARTMENTS	1-LT 90 DAYS	2-90 DAYS TO 1YR	3-1YR TO 2.99YRS	4-3YRS TO 5.99YRS	5-6YRS TO 10YRS	6-10 PLUS YRS	Grand Total
Involuntary	7	4	3		2	5	21
Case Management			1				1
Dietary					1	1	2
DOU			1				1
ED	1						1
Environmental Services	1						1
ICU		1			1	1	3
Laboratory	2	2				1	5
OB			1				1
OR		1					1
PACU						1	1
Pharmacy	1						1
Respiratory Therapy						1	1
Security	2						2
Voluntary	3	11	10	9	4	3	40
Administration					1		1
BHC				1			1
CT	1	1					2
Dietary		1					1
DOU				1			1
Echo			1				1
ED		3	3	1		1	8
ICU	1			1			2
Joint Venture Phys Ther	1		1				2
Laboratory		2	1	3		1	7
Medical Clinic		1					1
MS			2	1		1	4
OR			1				1
Registration		1		1	1		3
Respiratory Therapy					1		1
Security		2	1				3
Social Services					1		1
Grand Total	10	15	13	9	6	8	61

FULL AND PART TIME ASSOCIATES
09/01/2025 THROUGH 12/31/2025

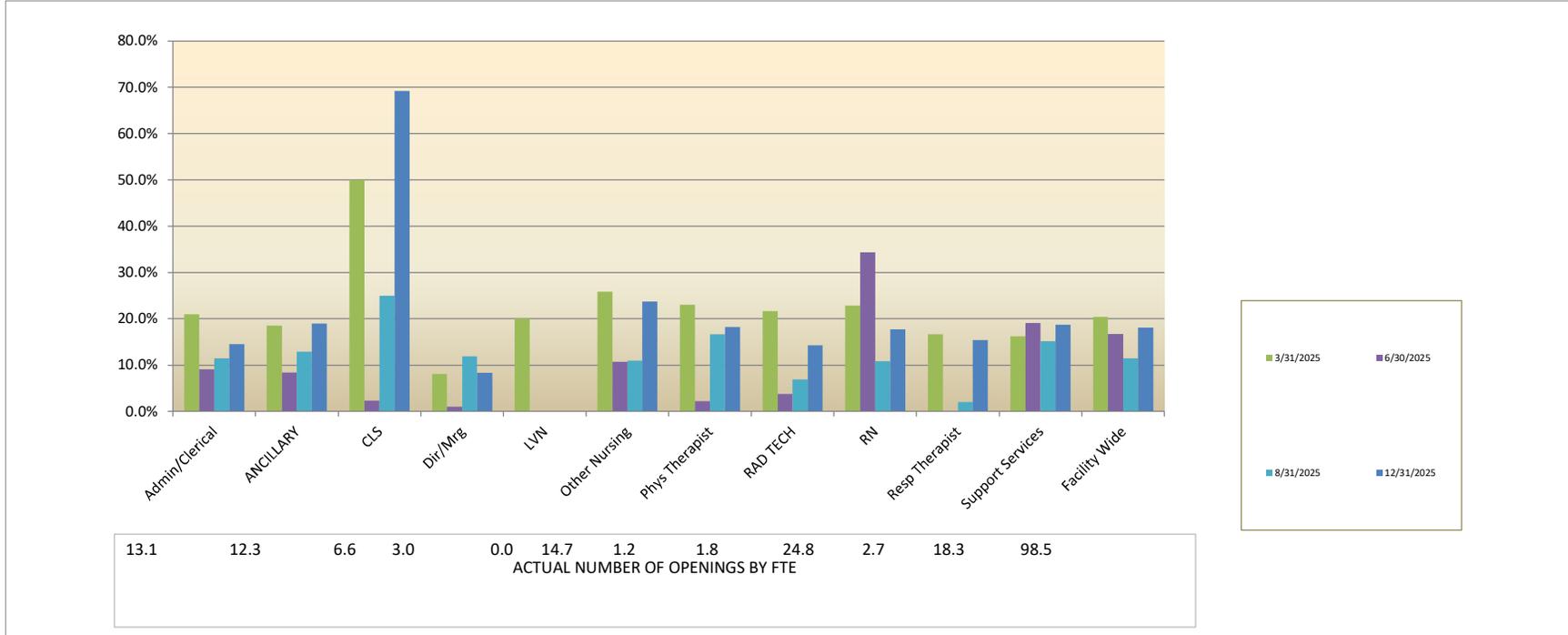
REASON	Current Qtr % by Category	Length Of Service						Total Separations
		Less than 90 days	90 days - 1 year	1-2 years	3-5 years	6-10 years	10+ years	
Voluntary Separations								
Did not Return from LOA	0.0%							0
Employee Death	0.0%							0
Family/Personal Reasons	10.8%	1	2	1	0	0	0	4
Job Abandonment	0.0%							0
Job Dissatisfaction	2.7%	0	0	1	0	0	0	1
Medical Reasons	0.0%							0
New Job Opportunity	29.7%	1	2	4	1	2	1	11
Not Available to Work	0.0%							0
Pay	0.0%							0
Relocation	2.7%	0	1	0	0	0	0	1
Retirement	8.1%	0	0	0	1	1	1	3
Return to School	2.7%	0	1	0	0	0	0	1
Unknown	0.0%							0
Subtotal, Voluntary Separations	56.8%	2	6	6	2	3	2	21
Involuntary Separations								
Attendance/Tardiness	0.0%							0
Conduct	24.3%	0	0	3	0	2	4	9
Death	0.0%							0
Expired Credentials	0.0%							0
Didn't meet scheduling needs	0.0%							0
Poor Performance	16.2%	4	2	0	0	0	0	6
Position Eliminations	2.7%	0	0	0	0	0	1	1
Temporary Position	0.0%							0
Subtotal, Involuntary Separations	43.2%	4	2	3	0	2	5	16
Total Separations	100.0%	6	8	9	2	5	7	37

Separation Reason Analysis
Per Diem Associates Only
09/01/2025 THROUGH 12/31/2025

REASON	Current Qtr % by Category	Length Of Service						Total Separations
		Less than 90 days	90 days - 1 year	1-2 years	3-5 years	6-10 years	10+ years	
<i>Voluntary Separations</i>								
Did not Return from LOA	0.0%							0
Employee Death	0.0%							0
Family/Personal Reasons	11.8%	0	1	0	0	0	1	2
Job Abandonment	11.8%	0	0	1	1	0	0	2
Job Dissatisfaction	0.0%							0
Medical Reasons	0.0%							0
New Job Opportunity	35.3%	1	1	3	1	0	0	6
Not Available to Work	0.0%							0
Pay	0.0%							0
Relocation	0.0%							0
Retirement	0.0%							0
Return to School	11.8%	0	1	0	1	0	0	2
Unknown	0.0%							0
<i>Subtotal, Voluntary Separations</i>	70.6%	1	3	4	3	0	1	12
<i>Involuntary Separations</i>								
Attendance/Tardiness	0.0%							0
Conduct	0.0%							0
Didn't meet certification deadline	0.0%							0
Didn't meet scheduling needs	0.0%							0
Poor Performance	29.4%	3	2	0	0	0	0	5
Position Eliminations	0.0%							0
Temporary Position	0.0%							0
<i>Subtotal, Involuntary Separations</i>	29.4%	3	2	0	0	0	0	5
Total Separations	100.0%	4	5	4	3	0	1	17

FTE Vacancy Summary: 09/01/2025 THROUGH 12/31/2025

	<u>Admin/Clerical</u>	<u>ANCILLARY</u>	<u>CLS</u>	<u>Dir/Mrg</u>	<u>LVN</u>	<u>Other Nursing</u>	<u>Phys Therapist</u>	<u>RAD TECH</u>	<u>RN</u>	<u>Resp Therapist</u>	<u>Support Services</u>	<u>Facility Wide</u>
3/31/2025	20.95%	18.52%	50.00%	8.11%	20.00%	25.84%	23.08%	21.62%	22.84%	16.67%	16.18%	20.38%
6/30/2025	9.09%	8.40%	2.30%	1.00%	0.00%	10.70%	2.20%	3.80%	34.40%	0.00%	19.10%	16.69%
8/31/2025	11.49%	12.87%	25.00%	11.90%	0.00%	10.96%	16.67%	6.90%	10.87%	2.00%	15.15%	11.51%
12/31/2025	14.56%	19.00%	69.23%	8.33%	0.00%	23.75%	18.18%	14.29%	17.68%	15.38%	18.75%	18.10%

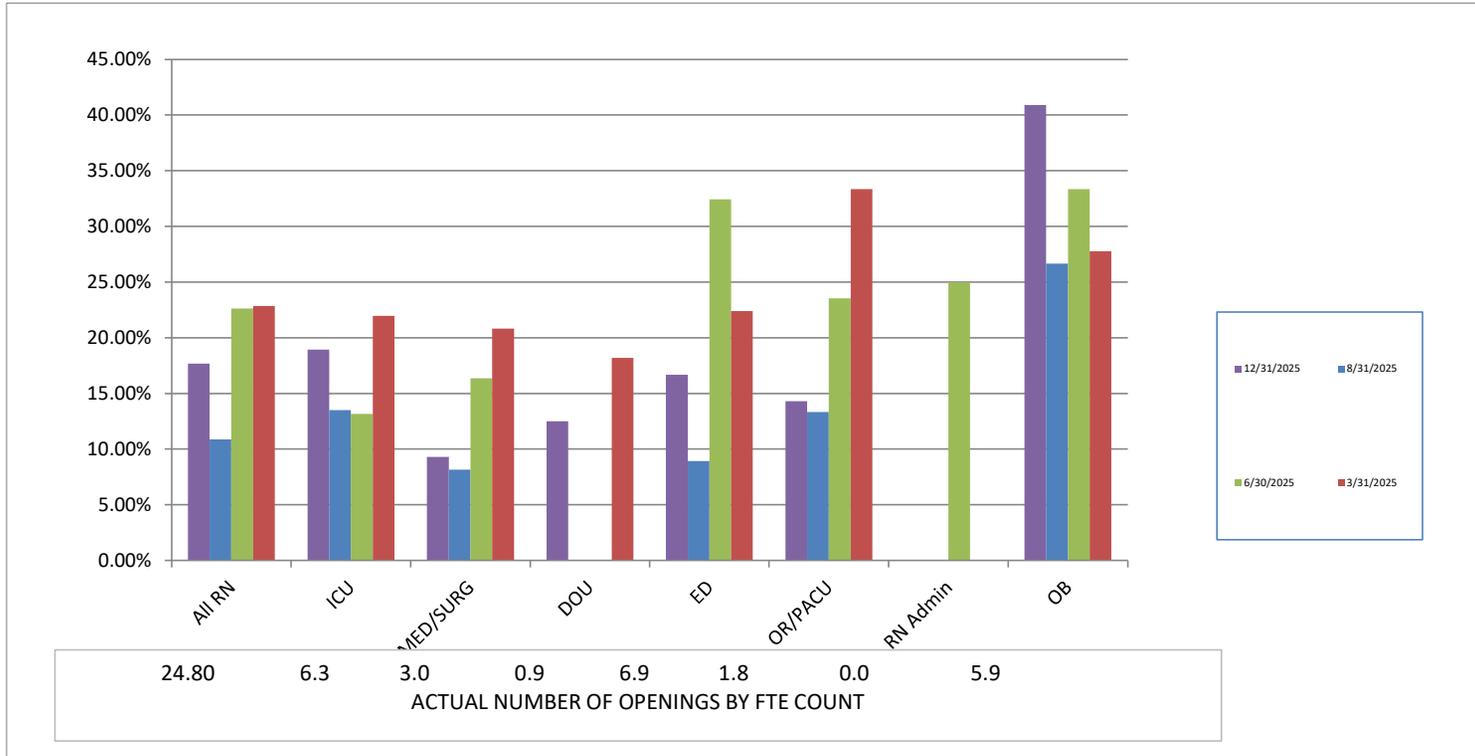


RN FTE Vacancy Summary: 09/01/2025 THROUGH 12/31/2025

	12/31/2025	8/31/2025	6/30/2025	3/31/2025
All RN	17.68%	10.87%	22.64%	22.84%
ICU	18.92%	13.51%	13.16%	21.95%
MED/SURG	9.30%	8.16%	16.36%	20.83%
DOU	12.50%	0.00%	0.00%	18.18%
ED	16.67%	8.93%	32.43%	22.41%
OR/PACU	14.29%	13.33%	23.53%	33.33%
RN Admin	0.00%	0.00%	25.00%	0.00%
OB	40.91%	26.67%	33.33%	27.78%

VACANCY RATE = Number of openings/(total staff + openings)

	OPEN POSITIONS	ACTIVE	VACANCY RATE
All RN	32	149	17.68%
ICU	7	30	18.92%
Med Surg	4	39	9.30%
DOU	1	7	12.50%
ED	9	45	16.67%
OR/PACU	2	12	14.29%
RN Adm.	0	3	0.00%
OB	9	13	40.91%



TAB C



DASHBOARD REPORT

Fiscal Year Basis: July

San Geronio Memorial Hospital

Data as of 12/31/2025

Reporting Period 12/1/2025 - 12/31/2025

SUMMARY DATA

FiscalYear	ValuationDate	Values			Count	Open Count
		Total Paid	Total Reserves	Total Incurred		
2015-2016	2025-12-31	847,584	179,254	1,026,838	40	3
2016-2017	2025-12-31	205,546	-	205,546	27	-
2017-2018	2025-12-31	72,312	-	72,312	18	-
2018-2019	2025-12-31	171,936	32,273	204,209	16	1
2019-2020	2025-12-31	68,021	-	68,021	15	-
2020-2021	2025-12-31	561,509	69,184	630,694	22	2
2021-2022	2025-12-31	111,249	65,334	176,584	18	2
2022-2023	2025-12-31	177,822	91,116	268,937	14	3
2023-2024	2025-12-31	663,679	133,028	796,706	30	6
2024-2025	2025-12-31	96,222	29,922	126,144	33	4
2025-2026	2025-12-31	15,018	48,473	63,491	12	8
Grand Total		2,990,899	648,584	3,639,483	245	29

DASHBOARD REPORT

Fiscal Year Basis: July

San Geronio Memorial Hospital

Data as of 12/31/2025

Reporting Period 12/1/2025 - 12/31/2025

TOP TEN CLAIMS

Claim Number	Claimant	Department	Cause	DOI	Status	Total Paid	Total Reserves	Total Incurred
20805905		Surgical Services	Fall, Slip or Trip Injury	2020-08-04	Open	346,038	9,318	355,356
16000026		Obstetrics	Fall, Slip or Trip Injury	2016-01-05	Open	140,319	93,735	234,053
16000811		Environmental Services	Fall, Slip or Trip Injury	2016-05-31	Open	173,385	47,840	221,225
24000701		Medical Staff	Miscellaneous Causes	2024-01-11	Closed	176,809	-	176,809
21000657		Environmental Services	Fall, Slip or Trip Injury	2021-03-16	Re-Open	106,053	59,866	165,920
23001495		Laboratory	Fall, Slip or Trip Injury	2023-07-11	Open	140,740	4,197	144,937
24001902		Emergency Department	Strain or Injury By	2024-06-04	Open	80,362	46,791	127,153
19000235		Nursing Administration	Fall, Slip or Trip Injury	2019-02-11	Open	84,449	32,273	116,722
22002677		Medical Surgical	Strain or Injury By	2022-11-20	Open	61,030	38,278	99,308
16001005		Medical Surgical	Burn or Scald - Heat or Cold Exposures -	2016-07-21	Closed	98,814	-	98,814

Open Claims

Fiscal Year Basis: July

San Geronio Memorial Hospital

Data as of 12/31/2025

Reporting Period 12/1/2025 - 12/31/2025

Values

Loss Date	Claim #	Status	Claimant Name	ClaimantTypeDesc	InjuryCauseGroupDesc	Litigated (1:)	Count	Paid	Outstanding	Incurred	Lost Time
2015-08-20	15001161	Re-Open		Future Medical	Strain or Injury By	0	1	27,087	37,679	64,766	0
2016-01-05	16000026	Open		Future Medical	Fall, Slip or Trip Injury	1	1	140,319	93,735	234,053	749
2016-05-31	16000811	Open		Future Medical	Fall, Slip or Trip Injury	1	1	173,385	47,840	221,225	730
2019-02-11	19000235	Open		Future Medical	Fall, Slip or Trip Injury	0	1	84,449	32,273	116,722	0
2020-08-04	20805905	Open		Indemnity	Fall, Slip or Trip Injury	1	1	346,038	9,318	355,356	812
2021-03-16	21000657	Re-Open		Indemnity	Fall, Slip or Trip Injury	1	1	106,053	59,866	165,920	689
2021-08-13	21001795	Open		Future Medical	Strain or Injury By	0	1	33,280	40,127	73,407	70
2022-01-23	22000651	Re-Open		Future Medical	Fall, Slip or Trip Injury	0	1	31,833	25,207	57,040	106
2022-11-20	22002677	Open		Future Medical	Strain or Injury By	0	1	61,030	38,278	99,308	200
2022-12-02	22002737	Open		Future Medical	Strain or Injury By	0	1	8,588	40,616	49,204	11
2023-03-21	23003338	Open		Indemnity	Fall, Slip or Trip Injury	1	1	779	12,221	13,000	0
2023-07-11	23001495	Open		Indemnity	Fall, Slip or Trip Injury	1	1	140,740	4,197	144,937	112
2023-09-03	23001964	Open		Future Medical	Fall, Slip or Trip Injury	0	1	61,649	35,022	96,671	154
2024-01-09	23003107	Open		Future Medical	Strain or Injury By	0	1	7,025	33,368	40,393	22
2024-02-23	24000340	Open		Indemnity	Fall, Slip or Trip Injury	0	1	45,648	13,649	59,297	100
2024-04-01	24000719	Re-Open		Indemnity	Fall, Slip or Trip Injury	1	1	33,514	-	33,514	14
2024-06-04	24001902	Open		Indemnity	Strain or Injury By	0	1	80,362	46,791	127,153	246
2024-07-22	24001567	Open		Indemnity	Strain or Injury By	0	1	9,276	3,766	13,042	22
2024-09-06	24001960	Re-Open		Indemnity	Miscellaneous Causes	1	1	31,960	3,562	35,522	61
2024-09-15	24002020	Open		Indemnity	Strain or Injury By	0	1	10,327	7,642	17,969	65
2024-11-27	24002638	Re-Open		Indemnity	Fall, Slip or Trip Injury	1	1	1,581	14,952	16,533	8
2025-08-05	25001772	Open		Indemnity	Strain or Injury By	0	1	2,652	10,425	13,077	14
2025-08-11	25001857	Open		Indemnity	Burn or Scald - Heat or Cold	0	1	339	536	875	0
2025-08-13	23003333	Open		Indemnity	Miscellaneous Causes	0	1	347	12,453	12,800	0
2025-08-31	25001978	Open		Medical	Strain or Injury By	0	1	2,959	1,841	4,800	0
2025-09-01	25001973	Open		Indemnity	Strain or Injury By	0	1	273	5,227	5,500	0
2025-10-22	25002491	Open		Indemnity	Fall, Slip or Trip Injury	0	1	2,487	2,802	5,289	5
2025-10-23	25002891	Open		Indemnity	Miscellaneous Causes	1	1	-	7,250	7,250	0
2025-11-08	25002631	Open		Indemnity	Striking Against or Stepping on	0	1	5,186	7,939	13,124	54
Grand Total							29	1,449,164	648,584	2,097,748	4,244

TAB D

RESOLUTION NO. 2026-03

SAN GORGONIO MEMORIAL HOSPITAL

BE IT RESOLVED, by the Board of Directors of San Gorgonio Memorial Hospital, a California Non-profit Public Benefit Corporation, that Steve Barron, former Chief Executive Officer be removed as an Administrator and Signatory of the San Gorgonio Memorial Hospital 403b Plan (VOYA, 403b, Plan ID #664577) effective January 1, 2026 and that Michele Finney, interim Chief Executive Officer and Ron Rader, Board Secretary be appointed as Administrators and Signatories of the San Gorgonio Memorial Hospital 403b Plan (VOYA, 403b, Plan ID #664577) effective January 1, 2026.

BE IT RESOLVED, by the Board of Directors of San Gorgonio Memorial Hospital, a California Non-profit Public Benefit Corporation, that Annah Karam, Chief Human Resources Officer remains appointed as an Administrator and Signatory of the San Gorgonio Memorial Hospital 403b Plan (VOYA, 403b, Plan ID #664577).

BE IT KNOWN that only one Administrator signature is required to conduct business on behalf of San Gorgonio Memorial Hospital Tax Sheltered Annuity Plan.

Signed: _____
Ron Rader, Hospital Board Secretary

Date: _____

Accepted by the Administrator

Signed: _____
Michele Finney, Interim Chief Executive Officer

Date: _____

Accepted by the Administrator:

Signed: _____
Annah Karam, Chief Human Resources Officer

Date: _____

TAB E

RESOLUTION NUMBER 2026-04

**RESOLUTION OF THE
SAN GORGONIO MEMORIAL HOSPITAL**

The Board of Directors of San Gorgonio Memorial Hospital (“SGMH”), by their signatures below, hereby approve and adopt the following resolutions effective as of January 1, 2026:

WHEREAS, SGMH maintains the San Gorgonio Memorial Hospital SGMH 403b Plan 664577 (“Plan”);

WHEREAS, SGMH is the Named Fiduciary with the authority to administer the Plan; and,

WHEREAS, SGMH has the authority to delegate fiduciary and administrative duties associated with the Plan;

NOW, THEREFORE, IT IS HEREBY RESOLVED, that SGMH hereby creates a committee (“Investment Committee”),

FURTHER RESOLVED, that SGMH hereby adopts, ratifies and approves the charter (“Investment Committee Charter”) attached hereto as Exhibit A;

FURTHER RESOLVED, that SGMH hereby authorizes the Investment Committee, on behalf of SGMH, to take and to do such acts and deeds, to incur such expenses and to execute, acknowledge, file, and deliver all documents as are necessary or appropriate in order to effectuate the purpose and intent set forth in the Investment Committee Charter; and

FURTHER RESOLVED, that SGMH hereby appoints the following individuals to serve as members of the Investment Committee:

Michele Finney

Annah Karam

Dated: January 27, 2026

Susan DiBiasi, Chair
Hospital Board of Directors
San Gorgonio Memorial Hospital

Ron Rader, Secretary
Hospital Board of Directors
San Gorgonio Memorial Hospital

TAB F

New 2026 Labor and Employment Laws

By James W. Ward, J.D.;
Employment Law Subject Matter Expert/Legal Writer and Editor, CalChamber

After a busy year, the California Legislature sent hundreds of bills to Governor Gavin Newsom to either sign into law or veto. These bills span a wide range of issues. For example, California now has a [new state snake and shrub](#). As great as the Giant Garter Snake and the Big Berry Manzanita are, however, many new labor- and employment-related laws are taking effect next year — and employers will want to be familiar with them.

These incoming laws touch on a variety of topics, including discrimination, leaves of absence, employment contracts, notice and recordkeeping requirements, collective bargaining, enforcement and more.

Here's a quick look at the most notable changes coming next year. Unless noted otherwise, the new laws take effect on January 1, 2026.

Minimum Wage

On January 1, 2026, California's minimum wage will increase to \$16.90 per hour. This hourly increase also affects the minimum salary requirements for full-time exempt employees, which will increase to \$70,304 per year.

Employers also must keep in mind that all fast food restaurant employees covered under California Labor Code Section 1474-1476 have their own minimum wage of \$20 per hour, and to qualify as exempt, covered fast food employees must make at least twice the fast food minimum wage.

Additionally, California has different health care worker minimum wage rates in effect — some of which increased on July 1, 2025. And covered health care employees must make at least one and a half times the applicable health care minimum wage rate or twice the state minimum wage, whichever is greater.

Several cities and counties in California have also adopted their own local minimum wage rates that are separate from the statewide rate, many of which will increase on January 1, 2026, though local minimum wage rates don't affect the statewide minimum exempt salary threshold.

**On
January 1,
2026, California's
statewide minimum
wage will increase
to \$16.90 per
hour.**

Discrimination, Harassment and Retaliation

[SB 642](#) makes changes to California's pay scale disclosure requirements and the California Equal Pay Act. Under existing law, employers must provide pay scale information to applicants and employees when requested, and employers with 15 or more employees must post pay scale information in job postings. SB 642 revises the definition of "pay scale" for these purposes to mean a "good faith estimate" of the salary or hourly wage range the employer reasonably expects to pay upon hire.

The Equal Pay Act generally prohibits employers from paying employees an amount less than employees of a different gender, race or ethnicity for substantially similar work. SB 642 increases the statute of limitations on Equal Pay Act claims from two years to three and clarifies when a cause of action arises under the law. Notably, the law will also allow recovery under the Equal Pay Act to reach back as far as six years.

**Starting
January 1,
2027, California's
pay data reporting
requirements increases
the number of job
categories in the
report from 10 to
23.**

Additionally, California's pay data reporting requirements will undergo some revisions. [SB 464](#) requires demographic information collected by an employer or labor contractor for pay data reporting purposes to be stored separately from employees' personnel records and, beginning January 1, 2027, increases the number of job categories in the report from 10 to 23.

SB 464 also changes pay data reporting penalties. Currently, when an employer doesn't comply with pay data reporting requirements, the California Civil Rights Department (CRD) can seek an order from a court requiring the employer to comply, recover related costs and ask the court to impose civil penalties on the employer for noncompliance. Courts had discretion to impose penalties; however, SB 464 removes court discretion and makes penalties mandatory.

Finally, Governor Newsom signed [SB 303](#), a bill related to bias mitigation training. The bill adds new provisions to the Fair Employment and Housing Act (FEHA) stating that an employee's assessment, testing, admission or acknowledgment of their own personal bias — made in good faith or as part of a bias mitigation training — does not constitute unlawful discrimination. Lawmakers introduced this bill to address concerns that bias-related training information could be misused in discrimination claims against employees or employers.

Leaves of Absence

[AB 406](#) is a follow-up bill to last year's [AB 2499](#), which expanded and revised California's leave for victims of violence, including expanding the definition of "victim," reasons for which an individual can take leave and potential reasonable accommodations. AB 2499 also moved certain victims' leave and accommodation provisions from the Labor Code to Government Code section 12945.8 in the FEHA, giving the California Civil Rights Department (CRD) enforcement authority and creating a new notice requirement

AB 406 is essentially a clean-up bill following AB 2499 and it was passed with an urgency clause, meaning it took effect when signed on **October 1, 2025**. It moved the remaining victims' leave provisions from Labor Code sections 230.2 and 230.5 to Government Code 12945.8. These provisions protect employees who are victims, or whose family members are victims, and take time off to attend judicial proceedings related to the specific crime, including but not limited to delinquency proceedings, post-arrest release decisions, pleas, sentencing or postconviction release decisions.

For this specific leave, the term "victim" is defined as a person against whom certain crimes are committed, including a violent felony, serious felony, felony theft or embezzlement, or a person who suffers direct or threatened harm resulting from specific crimes or delinquent acts specified in the law. Placing all the victims' leave provisions in the same code under the jurisdiction of a single agency will likely make leave administration and enforcement more consistent.

AB 406 also made related changes to California's paid sick leave law (PSL) in Labor Code section 246.5 related to PSL permissible uses, adding the employees' right to use paid sick leave for judicial proceedings related to specific crimes described above and for jury duty and witness leave.

Given these changes, the CRD will likely update its model notice, *Survivors of Violence and Family Members of Victims Right to Leave and Accommodations*. Similarly, the California Labor Commissioner will likely update its paid sick leave notice.

Employers should be on the lookout for these updated notices.

Though not a protected leave of absence itself, California's Paid Family Leave (PFL) program, a state-sponsored insurance program within the State Disability Insurance program that provides wage replacement benefits during a qualifying leave, is being revised. [SB 590](#) expands eligibility for benefits to include individuals who take time off work to care for a seriously ill designated person, legally defined as "any care recipient related by blood or whose association with the individual is the equivalent of a family relationship."

Employees must name the designated person at the time they request PFL benefits and attest to the relationship. This change takes effect on **July 1, 2028**.

**Starting
January 1, 2026,
employees can use
paid sick leave for judicial
proceedings related to the
specific crimes described
in victims' leave and
for jury duty and
witness leave.**

Employment Contracts

[AB 692](#) affects certain voluntary employer benefits like monetary bonuses or educational tuition assistance that employers offer to incentivize and keep employees. Typically, an employer offers this benefit in exchange for an employee's promise to pay the employer back if the employment ends before a specified term.

AB 692 limits employers' ability to offer these types of benefits with repayment agreements by making it unlawful to include in any contract entered on or after January 1, 2026, a provision or term that does any of the following if the worker's employment or work relationship with a specific employer ends:

- Requires the worker to pay an employer, training provider or debt collector for a debt.
- Allows the employer, training provider or debt collector to resume or initiate collection of or end forbearance on a debt.
- Imposes any penalty, fee or cost on a worker.

The law has some exceptions for repayment agreements, including the following:

- Contracts entered under any loan repayment assistance or loan forgiveness program provided by a federal, state or local governmental agency.
- Contracts related to tuition repayment for a "transferable credential," as defined, that meets specific criteria.
- Contracts for enrollment in an apprenticeship program approved by the Division of Apprenticeship Standards.
- Contracts for discretionary monetary payments, including financial bonuses, at the outset of employment that are not tied to specific job performance, provided they meet specified criteria.
- Contracts related to the lease, financing or purchase of residential property.

Employers that offer these types of benefits and programs should consult with legal counsel about AB 692's impact on their practices and programs moving forward.

Employers must distribute a new annual notice to their employees with information about several topics including workers' compensation and immigration protections.

Notice and Recordkeeping

SB 294, the Workplace Know Your Rights Act, requires employers to distribute a new annual notice to their employees with information about several topics including workers' compensation, immigration protections, the right to engage in concerted activity and constitutional rights when interacting with law enforcement.

SB 294 directs the California Labor Commissioner to create a template notice by January 1, 2026, that employers can give their employees. Employers have until February 1, 2026, to provide it to their employees, and it must be provided annually thereafter. Employers must also provide new hires with this notice.

For recordkeeping, SB 294 requires employers to keep compliance records for three years, including the date that each written notice is provided or sent.

Separate from the new notice requirement, SB 294 also requires employers to notify an employee's designated emergency contact if the employee is arrested or detained on their worksite but only if the employee has designated an emergency contact for this purpose, and the employer has actual knowledge of the arrest. The bill requires employers to provide existing employees with the opportunity to choose an emergency contact by March 30, 2026, and at the time of hire for new employees hired after that date.

[SB 617](#) will require covered employers to review and update the notices required under the California Worker Adjustment and Retraining Act (CalWARN). In addition to the notice's existing content requirements, SB 617 requires employers to include whether the employer plans to coordinate services through the local workforce development board as well as information about their local workforce development board and California's CalFresh food assistance program.

Lastly, regarding personnel records, [SB 513](#) makes minor revisions to existing law, requiring employers to include the following information in their employees' education and training records:

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

Employers will need to review and adjust their recordkeeping practices accordingly.

Collective Bargaining

The Legislature passed and Governor Newsom signed two significant bills impacting collective bargaining rights — AB 288 and AB 1340.

[AB 288](#) substantially expands the jurisdiction of the California Public Employment Relations Board (PERB), a state agency within the Labor and Workforce Development Agency that is responsible for overseeing government employer/employee labor relations. AB 288 gives PERB jurisdiction to enforce labor laws with respect to private-sector employees, who are generally covered by the federal National Labor Relations Act (NLRA), which is enforced by the National Labor Relations Board (NLRB).

AB 288 states that NLRA-covered employees may petition PERB when the NLRB has “expressly or impliedly ceded jurisdiction.” The bill goes on to detail the conditions under which the NLRB will be

**By March
30, 2026,
employers must
provide existing
employees with
the opportunity
to choose an
emergency
contact.**

deemed to have ceded jurisdiction.

Under AB 288, PERB will be able to hear unfair practices charges, conduct union elections, certify bargaining representatives and order certain remedies, among other things. Notably, on October 15, 2025, the NLRB filed a lawsuit challenging AB 288 on the grounds that it's preempted by the NLRA, which would prevent California from regulating this area.

**The
Governor
signed two
industry-specific
wage and hour bills
related to petroleum
facilities and water
corporations.**

AB 1340 applies to rideshare drivers covered by Proposition 22. Back in 2020, California voters approved Proposition 22, which classified certain app-based drivers as independent contractors. With the signing of AB 1340, in 2026, those drivers will gain unionization rights under PERB's jurisdiction. Specifically, AB 1340, the Transportation Network Company Drivers Labor Relations Act, provides that covered drivers have the right to form, join and participate in driver organizations, bargain through representatives of their own choosing and engage in concerted activities for the purpose of bargaining or other mutual aid or protection.

AB 1340 also requires covered Transportation Network Companies (TNC) to collect and report to PERB information on drivers that meet specified criteria starting January 1, 2026, and each following quarter. The law also describes in significant detail the obligations of covered TNCs and the PERB with respect to forming driver organizations and negotiating agreements.

Covered TNCs should consult legal counsel to ensure compliance.

Wage and Hour

This year, the Governor signed two industry-specific wage and hour bills. First, **AB 751** makes permanent an existing rest period exception for certain positions within petroleum facilities. Under this limited exception, employers can require employees holding safety sensitive positions at petroleum facilities to be on call and required to respond to emergencies during their rest periods. The exception was scheduled to expire at the end of this year but will instead be made permanent and expanded to cover safety sensitive positions at other types of fuel refineries.

Second, Labor Code section 512 related to meal periods provides an exception to the general meal period rules if the employee is covered by a valid collective bargaining agreement (CBA) and works in certain industries such as construction, commercial drivers, utility companies and others. **SB 693** revises section 512 to add "water corporations" to the list of exceptions for those covered by valid CBAs.

Displaced Workers

Although the COVID-19 pandemic is long behind us, current law still provides certain hospitality workers displaced by COVID-19 with recall rights when the employer has open positions. Enacted in 2021 and revised in 2023, the law presumes that a covered employee separated from employment for economic, non-disciplinary reasons is separated due to a COVID-19-related reason unless the employer establishes otherwise. [AB 858](#) extends the law another year to January 1, 2027.

Wage-and-Hour Enforcement

California lawmakers also passed new wage-and-hour enforcement bills. Under [SB 261](#), California employers that fail to pay a final wage judgment may face additional costs and penalties.

This bill provides that if a final judgment for unpaid wages remains unsatisfied 180 days after the time to appeal expires and there has been no appeal, the judgment debtor (employer) may face a civil penalty up to three times the outstanding judgment amount, including post-judgment interest. The employer has opportunity for a reduced penalty if they can show — through clear and convincing evidence — good cause to reduce the penalty.

In addition to triple penalties for not timely paying a final judgment, the law also provides that a prevailing plaintiff will be awarded attorney's fees and costs in an action to enforce the judgment.

SB 261 also expands enforcement by allowing public prosecutors, such as the Attorney General, a district attorney, city attorney, county counsel, or any other city or county prosecutor, to step in for employees to enforce unpaid judgments.

[SB 648](#) expands the California Labor Commissioner's authority to enforce California's rules on tips and gratuities. Currently, Labor Code section 351 prohibits employers from taking tips from employees, deducting employees' wages based on gratuities paid to them or crediting gratuities against their wages. SB 648 gives the Labor Commissioner the ability to investigate and issue citations or file civil actions for potential violations of California's tip rules.

Veto

Governor Newsom vetoed two notable CalChamber-opposed and/or designated [cost-driver bills](#) this year, including the following:

- AB 1136, which would have created new leave of absence and reinstatement rights related to immigration proceedings and detention.
- SB 7, which would have established several rules for employers using automated decision

In addition to triple penalties for not timely paying a final judgment for unpaid wages, SB 261 provides that a prevailing plaintiff will be awarded attorney's fees and costs in an action to enforce the judgment.

systems (ADS) in their practices, including notifying workers and job applicants before use, notifying job applicants of ADS use in hiring, prohibiting an employer from relying solely on ADS when making discipline or termination decisions, notifying workers when they use ADS in discipline or termination decisions and giving workers the ability to request the ADS data used in making such a decision.

Although the Governor vetoed SB 7, employers currently using or considering using ADS should keep in mind the CRD's recent ADS regulations that went into effect on October 1, 2025, clarifying when using those tools may be discriminatory.

For more information about how California's new labor and employment laws will affect your workplace, register for one of CalChamber's virtual [2026 Virtual Employment Law Updates seminars](#), where our legal experts offer key insights into new laws, regulations and court cases.

Employers should consult with legal counsel to address any questions they may have and help ensure compliance with the laws covered here.

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PAGE 8

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Tax Deductions for Tips, Overtime Under One Big, Beautiful Bill Act

© JAMES W. WARD | DECEMBER 17, 2025

Known as the One Big, Beautiful Bill Act, H.R. 1 brought numerous federal law changes, mainly to federal tax law, when it was signed on July 4, 2025. Among the wide variety of issues addressed, H.R. 1 creates new tax deductions related to tips and overtime that garnered significant media attention.

In preparation for 2026, here's a quick look at the new deductions along with related Internal Revenue Service (IRS) updates and guidance as well as employer compliance considerations.

Tax Deduction for Qualified Tips

For the 2025 through 2028 tax years, H.R. 1 creates a new above-the-line deduction for "qualified tips," under which employees may deduct qualified tips received in certain occupations that "customarily and regularly received tips on or before December 31, 2024," as identified by the IRS.

Qualified tips are defined as voluntary tips received from customers or through tip sharing without any consequence in the event of nonpayment. They also are not subject to negotiation and are determined by the person paying the tip.

On September 19, 2025, the IRS [published a list of occupations](#) that customarily and regularly receive tips, identifying nearly 70 occupations in the following categories:

- Beverage and Food Service
- Entertainment and Events
- Hospitality and Guest Services
- Home Services
- Personal Services
- Personal Appearance and Wellness
- Recreation and Instruction
- Transportation and Delivery

For more details on the specific occupations, employers can review the [proposed regulations](#) on the topic.

The maximum total deduction for qualified tips is \$25,000. This maximum deduction begins to phase out for individuals whose modified adjusted gross income exceeds \$150,000 (\$300,000 for joint filers).

Tax Deduction for Qualified Overtime

Also through tax year 2028, H.R. 1 creates a new above-the-line tax deduction for qualified overtime compensation up to \$12,500 (\$25,000 for joint filers), which, like the deduction of tips, begins to phase out for individuals whose modified adjusted gross income exceeds \$150,000 (\$300,000 for joint filers).

This deduction applies only to overtime paid under the federal Fair Labor Standards Act (FLSA). The FLSA generally requires that an employee be paid overtime at a rate of 1.5 times their "regular rate of pay" for all hours worked beyond 40 in a workweek. California, of course, has additional overtime rules, generally requiring employers to pay overtime for all hours worked beyond eight in a single workday.

California employers should note that since this deduction applies only to FLSA overtime, daily overtime paid under California law will not qualify for the deduction. California employers should review their payroll systems or consult with their payroll companies and legal counsel on how to track and report FLSA-qualified overtime pay.

Reporting Qualified Tips, Overtime



On August 7, 2025, the IRS [announced](#) that certain information returns or withholding tables for Tax Year 2025 (TY 2025) would not have changes. According to the IRS:

- *Form W-2*, existing *Form 1099*, *Form 941* and other payroll return forms will remain unchanged for TY 2025.
- Federal income tax withholding tables will not be updated for H.R. 1 provisions for TY 2025.
- Employers and payroll providers should continue using current procedures for reporting and withholding.

This means that current tax-related forms do not have separate boxes for reporting qualified tips and overtime compensation. The IRS is, however, working on updated forms for TY 2026. The IRS recently published a [draft *Form W-2* for 2026](#) which includes new boxes for recording employees' qualified tips and overtime. While not final, it gives businesses an idea of how the IRS will address H.R. 1's changes in 2026.

Recognizing that employers may not have the information required to be reported under H.R. 1, or the systems or procedures in place to correctly file the additional information, on November 5, 2025, the IRS [announced](#) that TY 2025 will be treated as a "transition period for IRS enforcement and administration of the new information reporting requirements for cash tips and qualified overtime compensation" under H.R. 1. As such, the IRS is providing penalty relief to employers and other payors for TY 2025 regarding the new information reporting requirements.

Employers should review all IRS guidance regarding H.R. 1 and consult with their tax professional or legal counsel to help ensure compliance with the new tax rules.

Employer Benefits

Finally, H.R. 1 made tax-related changes to certain employer benefit offerings. For example, the law made permanent a tax credit for businesses that choose to provide paid family and medical leave. It also increased the tax credit for employers that provide childcare to their employees, and also increased the exclusion of employer paid education assistance (e.g., tuition, student loans, etc.).

Employers should consult their tax professional or legal counsel on how to take advantage of these tax changes.

[James W. Ward, J.D., Employment Law Subject Matter Expert/Legal Writer and Editor, CalChamber](#)

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Employers May Not Induce Employees to Work on Rest Day

© HRWATCHDOG 🕒 JANUARY 15, 2026

We understand that employees must be provided a day of rest unless the employee wants to work a seventh day. We would like to offer a bonus or special higher wage to employees to make it more attractive for them to work on their rest day. Can we do this?

In California, a day of rest is guaranteed for each workweek. Generally, an employer cannot require, encourage or induce employees to forgo their statutorily required day of rest.

A bonus or higher wage would likely be considered incentive pay and treated as an inducement that violates the requirement that a day of rest be provided.

Day of Rest Rules

Labor Code Section 551 provides that "Every person employed in any occupation of labor is entitled to one day's rest therefrom in seven." Labor Code Section 552 states that "No employer of labor *shall cause his employees to work more than six days in seven.*" (Emphasis added).

Labor Code Section 556 provides an exception to sections 551 and 552 "when the total hours of employment do not exceed 30 hours in any week or six hours in any one day thereof."

Additionally, the day of rest requirement does not apply when the employer can show that emergencies or the nature of the employment reasonably require that the employee work seven or more consecutive days so long as, in each calendar month, the employee receives days of rest equivalent to one day's rest in seven (Labor Code Section 554).

A workweek is defined in Labor Code Section 500(b) as "any seven consecutive days, starting with the same calendar day each week" that "is a fixed and regularly recurring period of 168 hours, seven consecutive 24-hour periods." Importantly, the employer defines the workweek. If the employer fails to define the workweek, a workweek definition of Sunday through Saturday will be applied by default.

When an employee chooses to work on the seventh day in a defined workweek, Labor Code Section 510(a) requires time and one-half the regular pay rate for the first eight hours worked and double the regular pay rate for all hours worked beyond eight.

The key issue here is what actions taken by the employer "cause" an employee to work more than six days in seven.

Causing Employee to Work More than Six Days

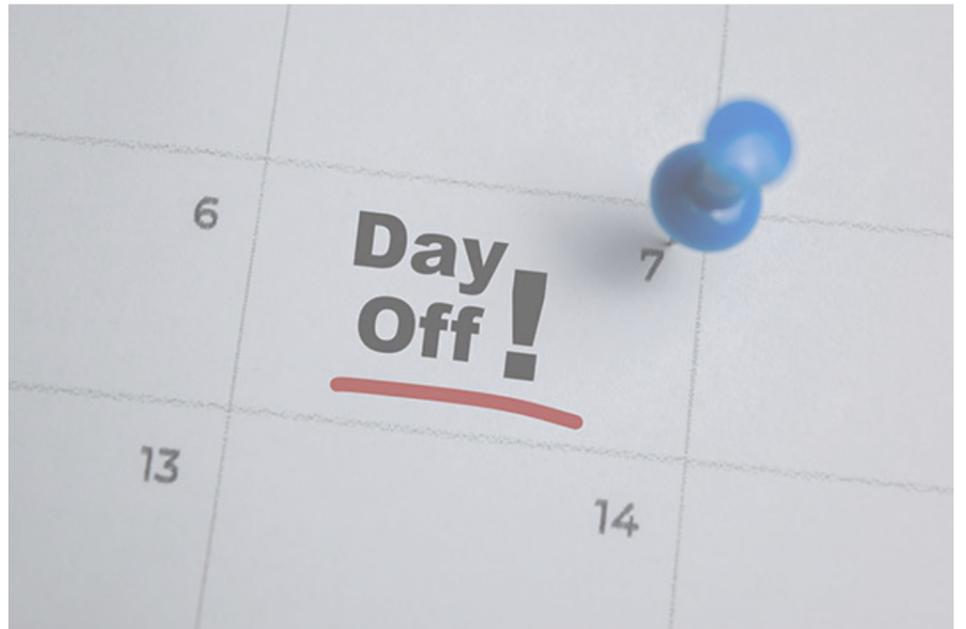
The California Supreme Court has held that an employer causes an employee to work the seventh day in violation of Section 552 if it *motivates or induces* the employee to work (*Mendoza v. Nordstrom, Inc.*, 2 Cal.5th 1074 (2017)).

The court emphasized that an employer is not liable if it simply permits an employee to work more than six days in seven. An employer must notify employees of their right to a day of rest and "maintain absolute neutrality" regarding the exercise of the right. "An employer may not encourage its employees to forgo rest or conceal the entitlement to rest, but is not liable simply because an employee chooses to work a seventh day." (2 Cal.5th at 1091).

Best Practices for Seventh Day of Work

To ensure compliance with day of rest requirements, the employer should:

- Clearly define the workweek in the employee handbook.
- Track all employee hours to avoid inadvertently scheduling an employee for a seventh day of work.
- Have employees complete the [Day of Rest – Acknowledgement and Waiver](#) form (available to CalChamber members on *HRCalifornia*) when they choose to work the seventh day.
- Pay the correct overtime and double time if the employee works the seventh day.
- Train managers and supervisors that they cannot pressure or induce employees to work on the seventh day.



[Sharon Novak, Employment Law Expert, CalChamber](#)

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