Proskauer

California Voters to Decide Future of PAGA in November 2024

California Employment Law Update Blog on **July 26, 2022**

The California Secretary of State announced on July 22, 2022 that a measure to replace the California Labor Code Private Attorneys General Act of 2004 ("PAGA") qualified as an eligible statewide ballot measure for the November 2024 General Election ballot. PAGA allows "aggrieved" employees to file a representative action on behalf of themselves and other "aggrieved" employees and the state of California for certain alleged California Labor Code violations. As previously covered here, here, here, and here, PAGA has benefited attorneys, not workers.

The California Fair Pay and Employer Accountability Act ("FPEAA"), if passed by the voters, will put workers' labor claims back in the hands of the independent regulator by empowering the Labor Commissioner to enforce labor laws and impose penalties. Workers under this system would be able to get their claims handled without having to hire a private attorney to engage in a lengthy and costly lawsuit. The proposed law would eliminate the Labor Commissioner's authority to contract with private organizations or attorneys to assist with enforcement, require the Legislature to provide funding for Labor Commissioner enforcement, require the Labor Commissioner to provide pre-enforcement advice, allow employers to correct identified labor-law violations without penalties, award all penalties to the "aggrieved" employee, and authorize increased penalties for willful violations. Proponents of the FPEAA claim this Act that eliminates employees' ability to file lawsuits for monetary penalties for state labor-law violations will both protect businesses from shakedown lawsuits that line the pockets of plaintiffs' lawyers and protect workers' rights.

This latest initiative to repeal and reform PAGA follows the United States Supreme Court's recent holding that PAGA representative action waivers in arbitration agreements are enforceable. We will continue to monitor developments on the fate of PAGA.

View Original

Related Professionals

- **Mark Theodore**
  Partner
- **Michelle L. Lappen**
  Associate