



SYNERGY

OUR 62nd YEAR

CONTRA COSTA CHAPTER

JANUARY 2025

*May this new year bring
fresh ideas, an open heart,
and an unwavering
determination for success in
all endeavors.*

*Contra Costa Chapter,
NECA*



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Reversal of Overtime Eligibility Rules

On November 15, 2024, a Federal judge in Texas permanently blocked the Biden administration's recently implemented overtime rule reversing the Department of Labor's (DOL) regulation, effective July 2024 which aimed to increase the salary threshold for overtime exemption for non-exempt employees. The Texas Judge ruled that the DOL overstepped its authority under the Fair Labor Standards Act (FLSA) by prioritizing compensation over job duties in determining overtime eligibility.

The ruling reverses the increased salary threshold nationwide, effectively restoring the previous \$35,568 level established in 2019. Employers should review their policies to ensure compliance with the reinstated rule.

Key points on the Federal court decision

1. Background on the Rule

The blocked overtime rule sought to expand eligibility to more salaried workers, raising the salary threshold to approximately \$55,000 annually. It also introduced mechanisms for automatic updates every three years.

2. Court's Rationale

The Judge's ruling emphasized that the FLSA defines overtime exemption based primarily on job responsibilities, not salary level. The decision is based on the "duties test" to determine whether an employee is considered exempt or non-exempt from overtime.

3. Implications for Employers

Employers must now revert to the previous \$35,568 threshold for overtime exemption. This adjustment could impact salaried employees who recently became eligible for overtime pay under the blocked rule.

What Employers should do now

To ensure compliance with the restored overtime threshold, it is recommended that employers consider the following actions:

- **Audit Employee Classifications:** Identifying employees earning between \$35,568 and the blocked rule's threshold to determine if overtime eligibility needs adjustment.
- **Update Payroll Systems:** Reconfigure payroll operations to align with the reinstated 2019 threshold.
- **Communicate with Employees:** Clearly inform affected workers of any changes to their overtime eligibility.
- **Monitor Legal Developments:** Stay informed on potential appeals or new DOL proposals.

Looking ahead

NECA will continue monitoring developments related to the overtime rule and provide updates as they become available. Employers should consult legal counsel to address any unique challenges resulting from this ruling.

This material is for informational purposes only. The material is general and is not intended to be legal advice. It should not be relied upon or used without consulting a lawyer to consider your specific circumstances, possible changes to applicable laws, applicable CBAs, prime contracts, subcontracts, rules and regulations and other legal issues. Receipt of this material does not establish an attorney-client relationship.

2025

New California Contractor and Employment Laws

WHAT YOU NEED TO KNOW



There are several significant legal changes in California that will affect contractors, employers, and freelancers. From increased thresholds for unlicensed work to enhanced protections for freelance workers, these updates are critical for staying compliant and avoiding penalties. Here's a summary of the most important changes:

1. Higher Dollar Threshold for Unlicensed Contractor Work

Under Assembly Bill 2622, the aggregate contract price limit for unlicensed contractor work will increase from \$500 to \$1,000. This means:

A contractor's license is not required for projects under \$1,000 if the work:

- Does not require a building permit, and
- Does not involve employing others to perform or assist in the work.

Unlicensed contractors may advertise for such work but must clearly state that they are not licensed.

Assembly Bill 2622 is codified as Business and Professions Code §7027.2 and 7048.

This law is effective as of January 1, 2025.

2. PAGA Exemption Extended for Unionized Construction Employers

Assembly Bill 1034 extends the Private Attorneys General Act (PAGA) exemption for certain unionized construction employers through January 1, 2038. To qualify, employers must:

- Pay workers at least 30% more than the minimum wage.
- Operate under collective bargaining agreements with specified worker protections.

This exemption is not automatic.

Action Required: Unionized employers must review their agreements to ensure compliance with these requirements to maintain the exemption.

3. New Rules for Driver's License Requirements in Hiring

Under Senate Bill 1100, employers will face stricter rules regarding driver's license requirements in job postings. Starting January 1, 2025, employers can require a driver's license only if:

1. Driving is a reasonably expected job function, and
2. Alternative transportation is not feasible for the position.

What to Do: Review job descriptions and hiring practices to ensure driver's license requirements are justified and documented. This law aims to prevent discrimination under the Fair Employment Housing Act (FEHA).

4. Expanded Protections for Freelance Workers

California has introduced new protections for freelance workers through recent legislation. Senate Bill 988 is the "Freelance Worker Protection Act"

Starting in 2025, private employers hiring certain independent contractors must:

- Provide a written agreement specifying the terms of work.
- Pay contractors' compensation by specific deadlines.

This law aims to provide freelancers with basic worker protections and ensure timely payment.

How to Prepare: Employers who hire freelancers should create standardized written agreements and establish processes to meet payment deadlines.

5. Paid Family Leave

Assembly Bill 2123 will eliminate an employer's ability to require an employee to use accrued paid time off ("PTO") before using California Paid Family Leave (PFL). Previously employers could require employees to take up to two weeks of accrued vacation before accessing Paid Family Leave benefits. This law is effective as of January 1, 2025 and amends section 3303.1 of the Unemployment Insurance Code.

6. Whistleblower Rights Posting

Assembly Bill 2299 requires the state's Labor Commissioner to develop a model list of employee rights and responsibilities under existing whistleblower laws. Currently, employers are required to post certain workplace notices, including a list of employees' rights and protections under whistleblower laws. Beginning January 1, 2025, employers will be required to post a specific notice drafted by the Labor Commissioner outlining employee rights and responsibilities under whistleblower laws. This bill adds section 98.11 to the Labor Code and amends Labor Code section 1102.8

7. Workers Compensation Legal Advice Notice

Assembly Bill 1870 amends Section 3550 of the Labor Code to require provision of information regarding an injured employee's ability to obtain legal consultation. Current law generally requires employers to post a notice in a conspicuous location that includes information such as to whom injuries should be reported, the rights of an employee to select and change a treating physician, certain employee protections against discrimination and other specific information.

Beginning January 1, 2025, the notice must also include information concerning an injured employee's ability to consult a licensed attorney to advise them of their rights under workers' compensation laws.

8. California Worker Freedom from Employer Intimidation Act

This new law means there are to be no mandatory “captive audience” meetings or communications about an employer’s opinion on religious or political matters, including labor organizing. If the meeting is held during work hours, employees must be paid even if the employee doesn’t attend. Senate Bill 399.

9. Crime Victim Leave Changes

Assembly Bill 2499 moves certain requirements regarding jury duty, court duty and time off for victims of crime from the Labor Code to the Fair Employment Housing Act. Specifically it moves the prohibitions on discrimination and retaliation against an employee who (1) takes time off for jury service; (2) takes time off to appear in court as a witness or victim pursuant to a court order or subpoena; (3) is the victim of a crime and takes time off work to obtain relief including, but not limited to, a temporary restraining order, restraining order or other injunctive relief; and (4) for employers with 25 or more employees, is the victim of a “qualifying act of violence” and takes time off for other specific purposes.

In addition, this bill adds a prohibition for employers with 25 or more employees on discriminating or retaliating against an employee for taking time off for various reasons related to a family member’s victimization of a qualifying act of violence and expands the list of crimes for which victims or their family members can take time off work. This leave is limited to twelve (12) weeks total; five (5) days for the purposes of helping a family member relocate; and ten (10) days if the employee’s family is a victim who is not deceased, and the employee is not a victim.

This bill also requires employers to notify employees of these rights upon hire, annually, at any time upon request, and at any time an employee informs the employer that the employee or the employee’s family member is a victim. A model form is expected to be made available by July 1, 2025.

10. Labor Commissioner: Public Works

Under existing law, the Labor Commissioner has the power to issue a civil wage and penalty assessment to a contractor or subcontractor for violations of the Labor Code for work performed on a public works project.

Assembly Bill 2705 clarifies that both contractors and subcontractors are jointly and severally liable for any unpaid wages or penalties, as determined by a final order or judgment. The Labor Commissioner is required to exhaust all reasonable means to collect from the subcontractor before seeking payment from the contractor. Any money collected is distributed with a priority towards wage claims over penalties. Portions of this bill will remain in effect until January 1, 2026, and as of that date, will be repealed and replaced with the full bill on January 1, 2026. This bill amends Section 1743 of the Labor Code.

11. Civil Disputes

Senate Bill 940 modifies several laws involving civil disputes. For contracts entered into, modified, or extended on or after January 1, 2025, this bill prohibits a seller from requiring a consumer, as a condition of entering into a contract, to agree to a provision that would require the consumer to arbitrate a claim outside of California arising in California or to arbitrate a controversy arising in California under the substantive law of another state. Further, if a consumer contract requires arbitration and the dispute may be adjudicated pursuant to the Small Claims Act, the consumer has the option to adjudicate the dispute in small claims court.

Why these changes matter: These updates reflect California’s continued efforts to balance worker protections with business interests. Contractors, employers, and freelancers should act now to adjust their practices, comply with the new laws, and avoid potential penalties.

12. CSLB Regulatory Changes

Senate Bill 1455 extends the sunset date of the Contractors State License Board (CSLB) to 2029 and makes some adjustments to the law, including:

- When awarding a public works project, the authority doing so must make sure those bidding hold the correct license classification.
- When the CSLB issues a letter of admonishment or citation, that contractor will now be required to reimburse any industry expert costs.
- Tribal businesses organized under the jurisdiction of a federally recognized tribe will now be licensed by the CSLB and able to work on construction projects off tribal lands.
- Full implementation of mandatory workers' compensation insurance for all contractors (even with no employees) has been delayed from January 1, 2026, to January 1, 2028.
- CSLB will no longer charge a \$100 rescheduling fee for PSI exam and candidates will pay \$45.65 per exam or \$91.30 for two exams directly.



2024 Legislative Changes to State Laws related to the **CALIFORNIA BUILDING STANDARDS COMMISSION (CBSC)**

(Effective January 1, 2025, unless otherwise specified in statute)

SUMMARY

STATE OF CALIFORNIA – DEPARTMENT OF GENERAL SERVICES

GOVERNOR GAVIN NEWSOM

BUILDING STANDARDS COMMISSION
2525 Natomas Park Drive, Suite 130
Sacramento, California 95833-2936
(916) 283-0916

CALIFORNIA BUILDING STANDARDS COMMISSION INFORMATION BULLETIN 24-04

DATE: December 27, 2024

TO: CBSC INTERESTED PARTIES
LOCAL BUILDING DEPARTMENTS
STATE AGENCIES AND DEPARTMENTS

SUBJECT: 2024 LEGISLATIVE CHANGES

This information bulletin summarizes the 2024 legislative changes to state laws related to the California Building Standards Commission (CBSC) and state building standards. The statutory changes summarized in this bulletin become effective on January 1, 2025, unless otherwise specified in statute. The links will take you to the *California Legislative Information* website for the complete text on each law.

Click link below to view/download entire summary:

[California Building Standards Information Bulletin 24-04](#)

Definition

Business Plan

A description of a company's strategies, goals, and plans for achieving them



THE IMPORTANCE OF ANNUAL PLANNING IN THE CONSTRUCTION INDUSTRY

ARE YOU PLANNING FOR 2025?

WHAT IS ANNUAL PLANNING AND WHY IS IT IMPORTANT?

Annual planning is the process by which a company outlines their strategic goals for the upcoming year. This plan serves as a roadmap, guiding the organization through the complexities and challenges of their industry. Annual planning provides clarity, helping to align the leadership team, project managers, and all stakeholders with the company's vision and objectives.

Without a clear plan, you risk falling into a reactive mode, responding to issues as they arise rather than proactively steering the organization toward success. A well-thought-out annual plan ensures that everyone is on the same page, understanding their roles and responsibilities, and working towards common goals.

STARTING WITH REFLECTION: REVIEWING THE PAST YEAR

Although the goal of the session is to look forward and build a plan to meet future goals, you would be remiss not to look back first to gain insight that will help you make better decisions moving forward.

Identifying What Went Well

The first step in this reflection process is to identify and celebrate the successes of the past year. What projects were completed on time and within budget? Which teams performed well? Were there any innovations in processes or technologies that improved efficiency? Recognizing these achievements boosts morale and highlights strategies and practices that can be replicated or scaled in the coming year.

By acknowledging what went well, leadership can gain a clear understanding of the company's strengths. These successes may reveal underlying patterns, such as effective leadership, collaboration between departments, or the use of new technologies. Understanding these strengths helps the company to continue building on them, ensuring that successful practices are incorporated into the new year's plan.

Addressing Areas for Improvement

Equally important is the need to address areas where the company could improve. No matter how successful a year may have been, there are always lessons to be learned. This process requires an honest evaluation of where goals were missed, where delays occurred, and where financial or operational inefficiencies existed.

For example:

- **Missed Deadlines:** Were there projects that consistently fell behind schedule? Was there a pattern of delays tied to a particular process, vendor, team or resource?
- **Cost Overruns:** What projects exceeded their budgets? What caused these overruns, and how could similar issues be prevented in the future?
- **Team Dynamics:** Were there any challenges with team alignment or performance? Do you have the right people in the right roles, and are they equipped to succeed?

By identifying these challenges, leadership can pinpoint areas for strategic change. This reflection phase is not about assigning blame, rather about understanding where the company can adapt and improve to avoid repeating the same mistakes.

The “Start, Stop, Continue” Method

A practical tool for this review process is the “Start, Stop, Continue” exercise. This simple framework helps structure the discussion by categorizing actions into three key areas:

- **Start:** What new actions or strategies should be introduced in the coming year? This could include new project management tools, innovative technologies, or additional training for teams.
- **Stop:** What practices are no longer serving the company and should be discontinued? This might include inefficient processes, underperforming vendors, or outdated systems.
- **Continue:** What successful practices should be maintained or expanded? This could involve strong collaboration methods, effective leadership practices, training and development programs or specific cost-saving initiatives.

This exercise encourages the leadership team to critically assess the past year and make decisions about what actions will be most beneficial moving forward.

Data-Driven Insights: Reviewing Financials and Metrics

To ensure that this reflection is grounded in reality, it’s important to base the review on concrete data. Reviewing financials, key performance indicators (KPIs), and other metrics offers an objective perspective on the company’s performance. Analyzing profitability, project margins, overhead costs, and other financial metrics helps to identify patterns and areas where cost-saving opportunities or efficiencies can be found.

By combining data with reflective analysis, construction companies can create a comprehensive understanding of their performance, setting the stage for more effective planning in the coming year.

The Value of Setting Annual Goals, Quarterly Milestones, and Monthly Targets

After reflecting on the previous year, the next step is setting annual goals. These goals should be ambitious yet achievable, pushing the company to grow to a point that is exciting, a little scary and doable. The annual goals provide a big-picture view, outlining what the company hopes to achieve by the end of the year.

However, annual goals alone are not enough. Breaking these goals down into quarterly milestones is crucial for maintaining momentum throughout the year. Quarterly milestones allow the leadership team to track progress, adjust strategies as needed, and celebrate successes along the way. These milestones keep the company focused and driven, preventing the tendency to drift away from the larger objectives.

Monthly targets further refine this process, providing short-term objectives that are essential for daily operations. Monthly targets help to ensure that the company remains on track, addressing any issues immediately and keeping projects on schedule. This layered approach to goal setting—from annual goals to quarterly milestones to monthly targets—creates a robust framework that supports sustained growth and success. It also helps to avoid reaching the end of the year and wondering why you didn't hit your goals.

The Value of Planning in the Final Quarter

One of the best practices in annual planning is to conduct this process during the final quarter of the preceding year. By planning ahead, construction companies can hit the ground running on day one of the new year. This forward-thinking approach allows the company to address potential challenges before they arise, ensuring a smooth transition into the new year.

Planning in the final quarter also provides an opportunity to reflect on the current year's performance as we discussed above. By reviewing what went well and what didn't, you can identify areas for improvement and build on their successes. This reflection is a critical component of continuous improvement, helping the company to avoid repeating mistakes and to capitalize on proven strategies.



Click link below to view entire article:

<https://www.linkedin.com/pulse/you-planning-2025-importance-annual-construction-industry-beatty-cysic/>

REMINDERS

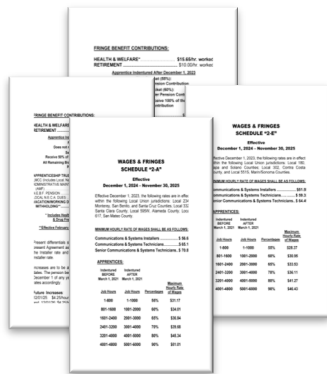
Inside Wireman Agreement Wage/Fringe Adjustment

On March 1, 2025, there will be a \$4.50/hour increase in the Inside wage/fringe benefit rates. Local 302 will be making their allocation shortly and we will provide the specific allocation in next month's newsletter.

SOUND AND COMMUNICATIONS

Wages & Fringe Benefits

Effective December 1, 2024



WAGE SCHEDULES
SCHEDULE "A" through "E"

WAGE & FRINGE SCHEDULE "A"

December 1, 2024 - November 30, 2025

Rate	Rate	Rate
450.00	450.00	450.00
460.00	460.00	460.00
470.00	470.00	470.00
480.00	480.00	480.00
490.00	490.00	490.00
500.00	500.00	500.00
510.00	510.00	510.00
520.00	520.00	520.00
530.00	530.00	530.00
540.00	540.00	540.00
550.00	550.00	550.00
560.00	560.00	560.00
570.00	570.00	570.00
580.00	580.00	580.00
590.00	590.00	590.00
600.00	600.00	600.00


[Wage Schedules](#)



SCHEDULE E: COST/HOUR

Rate	Rate	Rate
450.00	450.00	450.00
460.00	460.00	460.00
470.00	470.00	470.00
480.00	480.00	480.00
490.00	490.00	490.00
500.00	500.00	500.00
510.00	510.00	510.00
520.00	520.00	520.00
530.00	530.00	530.00
540.00	540.00	540.00
550.00	550.00	550.00
560.00	560.00	560.00
570.00	570.00	570.00
580.00	580.00	580.00
590.00	590.00	590.00
600.00	600.00	600.00

[Schedule E: Cost/Hour](#)



SCHEDULE E: SHIFT RATES

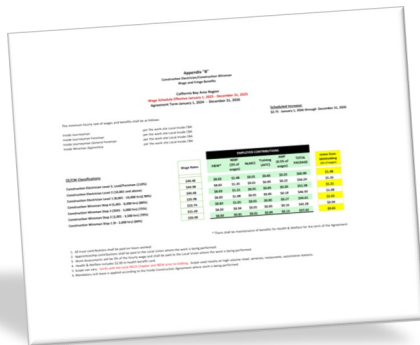
Rate	Rate	Rate
450.00	450.00	450.00
460.00	460.00	460.00
470.00	470.00	470.00
480.00	480.00	480.00
490.00	490.00	490.00
500.00	500.00	500.00
510.00	510.00	510.00
520.00	520.00	520.00
530.00	530.00	530.00
540.00	540.00	540.00
550.00	550.00	550.00
560.00	560.00	560.00
570.00	570.00	570.00
580.00	580.00	580.00
590.00	590.00	590.00
600.00	600.00	600.00

[Schedule E: Shift Rates](#)

MARKET ADVANCEMENT CE/CW

Wages & Fringe Benefits

Effective January 1, 2025



MARKET ADVANCEMENT CE/CW WAGES & FRINGE BENEFITS

Rate	Rate	Rate
42.23	44.98	44.98
43.23	46.98	46.98
44.23	48.98	48.98
45.23	50.98	50.98
46.23	52.98	52.98
47.23	54.98	54.98
48.23	56.98	56.98
49.23	58.98	58.98
50.23	60.98	60.98
51.23	62.98	62.98
52.23	64.98	64.98
53.23	66.98	66.98
54.23	68.98	68.98
55.23	70.98	70.98
56.23	72.98	72.98
57.23	74.98	74.98
58.23	76.98	76.98
59.23	78.98	78.98
60.23	80.98	80.98

[CE/CW Wages & Fringe Benefits Download](#)

January 1, 2025 rates reflect a \$2.75/hour increase to CE2, moving the wage rate from \$42.23 to \$44.98. In addition, there was an increase in the Health Contribution of \$0.16/hour bringing the total cost increase to \$2.91/hour for 2025. In January 2026, there will be an additional increase of \$2.75/hour. There is a maintenance of benefits provision for the Health Plan so the actual increase for 2026 will likely be somewhat higher.

California Minimum Wage Increase

As a reminder, the state minimum wage will increase from \$16.00 to \$16.50 per hour on January 1, 2025. State law requires that most California workers be paid the minimum wage.

The change in the minimum wage also affects the minimum salary an employee must earn to meet one part of the overtime exemption test. Exempt employees are not subject to the payment of overtime for hours worked. An employee must earn no less than two times the state's minimum wage for full-time work to meet this initial requirement of the exemption test. As of January 1, 2025, employees in California must earn an annual salary of no less than \$68,640 to meet this threshold requirement.

Employers must post the Minimum Wage Order and Wage Order applicable to their workplace at a worksite area accessible to employees. The wage orders can be downloaded and printed from the [workplace postings page](#) on the DIR website.

Further, the following jurisdictions have different minimum wage requirements than the State: Belmont, Burlingame, Cupertino, Daly City, East Palo Alto, El Cerrito, Foster City, Half Moon Bay, Hayward, Los Altos, Menlo Park, Mountain View, Novato, Oakland, Palo Alto, Petaluma, Redwood City, Richmond, San Carlos, San Diego (city), San Jose, San Mateo City, San Mateo County (unincorporated), Santa Clara City, Santa Rosa, Sonoma (city), South San Francisco, Sunnyvale and West Hollywood. Information regarding these minimum wage requirements can be found [here](#).

Business Standard Mileage Rate Increases to 70 Cents

The standard mileage rate for transportation or travel expenses for 2025 is 70 cents per mile for all miles of business use (business standard mileage rate). See Page 3 - 3 - section 4 of Rev. Proc. 2019-46.



SYNERGY E Links

[Sound and Communications Wage and Fringe Schedules A, B, C, D, & E](#)

[Sound and Communications - Schedule E: Cost/Hour Shift Rates](#)

[CE/CW Wage Schedule Effective January 1, 2025](#)

[New CA Contractor & Employment Laws for 2025](#)

[2025 New Laws White Paper](#)



January 2025

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thur</i>	<i>Fri</i>	<i>Sat</i>
			1 New Year's Holiday	2	3	4
5	6	7	8 Days till Christmas: 350	9	10	11
12	13	14	15	16 JATC Training Center Martinez 2:00 p.m.	17 Off-Day (Inside Wireman Holiday)	18
19	20 Martin Luther King, Jr. Holiday (Sound & Comm and Inside Holiday)	21	22	23	24	25
26	27	28	29	30	31	1