



AP17:110

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## **Proposed Initiative Enters Circulation**

***Limits Workers' Authority To Recover Penalties From Offending Employers For State Labor-Law Violations. Initiative Statute.***

**SACRAMENTO** – Secretary of State Alex Padilla announced the proponent of a new initiative was cleared to begin collecting petition signatures today.

The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponent and to the Secretary of State, and the initiative may be circulated for signatures. The Secretary of State then provides calendar deadlines to the proponent and to county elections officials. The Attorney General's official title and summary for the measure is as follows:

**LIMITS WORKERS' AUTHORITY TO RECOVER PENALTIES FROM OFFENDING EMPLOYERS FOR STATE LABOR-LAW VIOLATIONS. INITIATIVE STATUTE.** Limits current law that permits employees to file lawsuits on behalf of themselves and other aggrieved employees to recover monetary penalties for violations of state labor laws, including laws governing unpaid wages. Changes State's share of assessed penalties from 75 to 50 percent and exempts employers from penalties in certain circumstances. Prohibits contingency-fee arrangements and limits hourly rates for attorneys representing employees. Limits information employers must disclose. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Net reduction in state trial court costs that would likely be in the millions of dollars annually, but could reach the low tens of millions of dollars annually. Reduction in state revenue used for labor law enforcement potentially up to the low tens of millions of dollars annually. Likely minor net impact on state administrative costs to enforce labor laws.** (17-0036.)

The Secretary of State's tracking number for this measure is 1833 and the Attorney General's tracking number is 17-0036.

The proponent of the measure, Sean McNally, must collect the signatures of 365,880 registered voters (five percent of the total votes cast for Governor in the November 2014 general election) in order to qualify it for the ballot. The proponent has 180 days to circulate petitions for the

measure, meaning the signatures must be submitted to county elections officials no later than June 11, 2018. The proponent can be reached c/o Kurt Oneto at (916) 446-6752.

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