



GTM Payroll Services Inc.
7 Executive Park Drive
Clifton Park, NY 12065

FOR IMMEDIATE RELEASE

California Domestic Workers' Bill of Rights Legislation Update

Potential Impact of AB 889 on California's Household Employers

May 26, 2011 – (CLIFTON PARK, NY) – If passed, California's Domestic Worker's Bill of Rights (AB 889) will enact new standards of employer regulations and worker protections for the household employment industry.

Currently under California Assembly review, AB 889 is aimed at increasing protections for domestic workers and standardizing regulations for California's estimated 200,000 domestic workers. Under the California legislation, a domestic worker is defined as anyone employed to work in a private home by the head(s) of household, such as nannies, housekeepers, elderly companions, cleaners, babysitters, baby nurses and cooks. However, AB 889 does not cover In-Home Supportive Services (IHSS) workers, close family members of the employer or babysitters who are 18 and under.

Additionally, expanding requirements under California [Wage Order 15 of the Industrial Welfare Commission](#) with specified exceptions, provisions under AB 899 will outweigh protections previously granted in Wage Order 15, or any other law that offer a domestic employee less protection.

Based on the [landmark legislation enacted in New York](#), California's AB 889 would create more precise labor guidelines for domestic employers; regulating wages, hours and establishing clearly defined work conditions and benefits. Amongst the components of this bill, those of interest to employers are provisions related to:

1. **Workers' Compensation:** AB 889 eliminates the current requirements for domestic workers to work 52 hours and earn more than \$100 in the previous 90 days to be eligible for workers' compensation coverage; extending to domestic workers the same protection as all other California workers.
2. **Wage & Hour Reporting:** AB 889 will remove the exclusion under existing law, requiring employers to provide domestic employees with specified information regarding wages either semimonthly or at the time of each wage payment.
3. **Overtime, Vacation & Sick Pay:** AB 889 extends to domestic workers the same rights to overtime pay, paid time off and paid sick days as other California workers, outlined under Wage Order 15.

A long-time advocate for the professionalism of the household employment industry, GTM CEO, Guy Maddalone noted, "Although many of the rights afforded domestic workers in AB 889 are covered under California's existing Labor and Wage laws, the more stringent reporting requirements and regulations will undoubtedly impact employers' tax and labor compliance." He further noted, "Domestic employers in California not currently in compliance could face significant penalties if amendments to the legislation are finalized and passed. It is best to have a competent advisor, like GTM, to help safeguard compliance with all current laws and continue to be aware of pending legislation."

GTM recommends that all California household employers review these proposed changes to the labor laws. A PDF of the legislation, as amended on May 4, 2011, is available on the California State Legislature's website: http://leginfo.ca.gov/pub/11-12/bill/asm/ab_0851-0900/ab_889_bill_20110504_amended_asm_v97.pdf. For information on this legislation update, compliant tax, payroll, HR and insurance services, visit the household employment experts at GTM.com or call (800) 929.9213.

###

About GTM Payroll Services Inc.

GTM Payroll Services is a proven leader in payroll and human resource management for both business and household employers. Founded in 1991 and backed by a SAS-70 Type II certification, GTM Payroll Services is recognized as one of Tech Valley's entrepreneurial success stories and honored as an INC. 5000 company for the last four consecutive years (2007-2010). GTM has also been recognized as one of the Fastest Growing Companies in the Capital Region for seven consecutive years. GTM's brands include Tech Valley Payroll®, GTM Household Employment Experts® (The Original Nanny Tax & Payroll Company), GTM Employment Benefits®, and A New England Nanny®. Privately held, GTM Payroll Services combines the highest levels of customer service, premium solutions, industry-leading software, and secure and compliant payroll and tax solutions, delivering better **advice**, better **service** and better **value** for an **easier life!**™ Visit www.GTM.com.