

# ALERT

## CalChamber Opposes Risky Changes to Antitrust Law



**OPPOSE**  
trust law and create a new Single Firm Conduct policy.

The California Chamber of Commerce has [opposed the change throughout the Commission's deliberations](#).

In a statement released shortly after the Commission acted on January 30, CalChamber emphasized that California businesses “take seriously their responsibility to operate and grow under the rules of a fair marketplace.”

CalChamber also noted that businesses expect government officials to identify problems clearly before proposing purported solutions such as the kind of sweeping changes being suggested to the state’s antitrust law.

“The California Law Revision Commission has failed to meet that expectation,” CalChamber asserted.

### No Study

The Commission, directed by the Legislature in 2022 to review the state’s antitrust laws, never produced a study to support the claim that California consum-

Last week, the California Law Revision Commission approved recommended legislative language to significantly amend the state’s antitrust law and create a new Single Firm Conduct policy.

ers and businesses are suffering from reduced competition because of a lack of state-specific rules governing the conduct of a single company in selling its products or services.

Instead, CalChamber noted, the Commission proposed a law with “poorly defined terms, lacking standardized tests for wrongdoing, and relying on a presumption of illegal activity when it comes to a number of business practices that are widely considered typical and benefit consumers by offering better services and prices.”

### ‘Chilling Effects’

CalChamber warned that the Commission’s proposal would have substantial “chilling effects,” deliver a “devastating blow to California’s innovation economy” and result in a sharp increase in litigation and consumer prices.

“It would be the antithesis of affordability,” CalChamber stated.

“A rushed, go-it-alone approach for our state threatens to create a fragmented national business landscape. California would be less attractive to the entrepreneurs whose success is essential to our future prosperity.”

CalChamber concluded: “The Commission rushed its decision by issuing a final proposal with less than 72 hours’ notice, a disappointing lack of collaboration with the businesses that would have to ultimately comply.”

## Wet December, Dry January, and a Slight Boost in Projected Water Deliveries



State water officials last week announced a slight increase in water they expect to deliver to homes, businesses and farms this year but warned that dry weather could shape future allocation updates.

On January 29, the Department of Water Resources (DWR) announced it would increase allocations from the State Water Project (SWP) to 30% of supplies requested, greater than the 10% announced on December 1, thanks to the mid-December storms.

The water goes to 29 public water agencies that provide water to 27 million Californians and 750,000 acres of farmland.

### Impact on Water Outlook

Results of the DWR manual snow survey on January 30, however, showed the impact of a dry month on the water supply outlook for the year. The survey found the snowpack was 46% of average at Phillips Station in the Sierra Nevada, compared to 89% of average just three weeks earlier.

Electronic readings from 130 stations throughout the Sierra Nevada indicated the statewide snowpack was 59% of average for the date, versus 67% last year.

“We are now two-thirds through what should be the best snow-producing months

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## Labor Law Corner

# Rehiring a Terminated Employee? Consider These Issues First



**Dana Leisinger**  
Employment Law  
Expert

*We terminated two employees a couple of years ago. We're rehiring now but don't want to rehire both of them – one was terminated for clearly violating company policies, but the other was terminated for less obvious reasons. Do we have to rehire both of them?*

The simple answer is no. But be aware of issues such as the following:

- First, there can be specific regulations for different entities. Certain government employers might have rehiring policies in place. Sometimes a collective bargaining agreement (in a union setting) might require the employer to rehire both employees.
- Alternatively, a company might have rehiring policies in place, either via an employee handbook, or a past practice of rehiring former employees.

Absent these situations, there is no law on automatically rehiring employees who have been terminated. In the case you described, one employee clearly/flatly violated company policies. The second employee, however, clashed with her new manager — more of a personality conflict — before being terminated.

One problem that can develop is when rehiring decisions appear to be discriminatory. If a terminated employee thinks

that the rehiring decisions are based on protected classes, they might file a claim with the California Civil Rights Department or the federal Equal Employment Opportunity Commission (EEOC).

For example, if two ex-employees apply for a job after being terminated earlier, and the one who isn't hired is in a protected category (such as race, age, religion, etc.) — they could claim discrimination if both ex-employees were terminated for similar offenses.

Therefore, when deciding whether to rehire terminated employees, you should consider carefully the issues above and possibly consult with legal counsel to prevent problems down the road.

*Column based on questions asked by callers on the Labor Law Helpline, a service to California Chamber of Commerce preferred members and above. For expert explanations of labor laws and Cal/OSHA regulations, not legal counsel for specific situations, call (800) 348-2262 or submit your question at [www.hrcalifornia.com](http://www.hrcalifornia.com).*

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## CalChamber-Sponsored Seminars/Trade Shows

Conducting California Workplace Investigations. CalChamber. August 27, [Virtual Seminar](#). (800) 331-8877.

Simplifying Local Ordinances: Helpful Resources for California Employers. CalChamber. [Webinar recording](#). (800) 331-8877.

### **International Trade**

Agriculture Tech in South Africa, Export Training. Governor's Office of Business and Economic Development (GO-Biz) and Zurcom International. February 19–May 7, [Virtual](#).

5th Annual California International Arbitration Week. California Lawyers Association. March 9–12, San Francisco. [Event website](#).

*See CalChamber-Sponsored: Page 4*

## CalChamber Calendar

*Women's Leadership Forum & Reception: March 3, Sacramento  
Board of Directors: March 12–13, Half Moon Bay  
International Trade Breakfast: March 13, Half Moon Bay*

## Civil Rights Department Updates Pay Data Reporting Resources



The California Civil Rights Department (CRD) has updated its [pay data](#)

**reporting resources.** Covered employers should start thinking about their annual pay data reports — due May 13, 2026 — and take note of some changes to this year's report.

California requires private employers with at least 100 employees and/or at least 100 workers hired through labor contractors to submit annual pay data reports to the CRD. Employers must report detailed information covering a snapshot period of the previous year, which the CRD calls Reporting Year 2025 (RY 2025), including:

- The number of employees by race, ethnicity and sex in 10 different job categories;

- The number of employees by race, ethnicity and sex whose annual earnings fall within each of the pay bands used by the U.S. Bureau of Labor Statistics in the Occupational Employment Statistics survey; and

- The median and mean hourly rates within each job category, for each combination of race, ethnicity and sex.

The CRD has released updated [Microsoft Excel templates](#) and [CSV examples](#) for the RY 2025 report on its pay data reporting website, as well as an updated [Pay Data Reporting Handbook](#) and [FAQs](#).

As previously reported, California passed a law that will increase the number of job categories from 10 to 23, but this change doesn't take effect until 2027. For this year's report, job categories remain at 10.

However, this year's report has new data fields. As it often does, each year, the CRD makes small changes to the

reporting templates and fields. [Last year](#), the CRD included additional race/ethnicity categories. For RY 2025, reports must include the following new information:

- Exemption status (exempt or nonexempt);
- Employment type (full time, part time or intermittent); and
- Weeks worked during the reporting year

The CRD's [updated FAQs](#) explain how employers can report this information.

Employers should begin reviewing these resources and templates and preparing their reports. Employers that are required to submit labor contractor employee reports should start early, since they will have to work with their labor contractors to obtain the required information.

The pay data reporting portal opened on February 2, 2026, and reports are due on May 13, 2026.

**Staff Contact:** [James Ward](#)

## Wet December, Dry January, Slight Boost in Projected Water Deliveries

*From Page 1*

of the year," said Andy Reising, manager of DWR's Survey and Water Supply Forecasting Unit. "While there is still time for February and March to deliver additional snow, the farther into the season we get with below average conditions, the harder it will be to catch up."

DWR reports that California reservoirs remain above average at 125% statewide. Lake Oroville, the largest SWP reservoir, is at 138% of average.

The department bases its allocations on available water storage, projected water supply and water demands. It updates allocations monthly, depending on analyses of snowpack, rainfall and runoff data.

The final allocation typically is set near the end of the water season in May or June. At the end of April in 2025, DWR set water allocations at 50% of the supplies requested.

DWR conducts four snow surveys at Phillips Station near the beginning of each month from January through April and sometimes in May. The next survey is tentatively scheduled for March 2.

### Flexibility Needed

A wet December and dry January are reminders of California's increasingly volatile hydrology and the need for oper-



**(From left)** California Department of Water Resources Snow Survey and Water Supply Forecasting Unit Manager Andy Reising, Engineer Jacob Kollen and Hydrometeorologist Angelique Fabbiani-Leon gather results during the second media snow survey of the 2026 season on January 30 at Phillips Station in the Sierra Nevada, about 90 miles east of Sacramento off Highway 50 in El Dorado County. The snowpack was 46% of average, down from 89% of average three weeks earlier.

ational flexibility to capture and deliver supplies when available.

In December, California's Department of Fish and Wildlife issued an amendment to the incidental take permit (ITP) for the operation of the State Water Project. The ITP amendment incorporates

adaptive, science-based decision making into SWP operations, increasing water deliveries when conditions permit while still protecting species.

This flexibility allowed the SWP to capture 15,000 acre-feet of additional water supply in December and January.

Photo by Andrew Nixon / California Department of Water Resources

## *The Workplace*

# Employee Handbook: New Year Good Time to Audit/Update Policies



is central to that effort is the employee handbook.

In [Episode 237](#) of The Workplace podcast, Matthew Roberts, Associate General Counsel for Labor and Employment at the California Chamber of Commerce, is joined by CalChamber Employment Law Counsel Vanessa Greene to discuss why now is the best time to audit, update, and rethink your handbook strategy.

### Organizing Written Policies

The conversation opens with a reminder that although California law doesn't require employers to have an employee handbook, certain written poli-

ties are mandatory — and the handbook remains the most effective way to organize and communicate them.

From harassment prevention and lactation accommodation to family and medical leave, Greene explains how a well-crafted handbook serves as both a compliance tool and an operational resource.

Beyond legal requirements, the episode highlights the broader value of handbooks in today's complex workplace. Roberts and Greene explore how a clear, consistently applied handbook can support managers, promote fair performance management, and even strengthen an employer's defense in litigation. In a state as heavily regulated as California, that added layer of protection matters.

The discussion then highlights 2026-specific updates, including how recent changes to paid sick leave laws may affect handbook language — and when new legal requirements are better handled outside the handbook altogether. Employers are encouraged to think critically about what belongs in the handbook

and what should remain a standalone notice or communication.

### Emerging Issues

Looking ahead, Greene also flags emerging issues that may warrant new or revised policies, particularly as technology continues to reshape the workplace.

From wearable devices to AI-driven tools, the episode emphasizes how to be proactive rather than reactive as an employer. Longstanding policies — such as remote work, discipline, and meal and rest break practices — also get a reality check, with guidance on ensuring written policies still reflect how work actually gets done.

Finally, the episode offers practical insight into making handbook rollouts more effective, emphasizing communication, training, and supervisor involvement.

For employers aiming to start the year on solid footing, this conversation offers timely perspective on turning the employee handbook into an accessible workplace tool.

## CalChamber-Sponsored Seminars/Trade Shows

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EXIM Annual Conference. Export-Import Bank of the United States. April 29–30, Washington, D.C. [Registration open](#). [Conference website](#).

The World in Motion: Advancing Sports Tourism on a Global Stage. Inland Empire World Trade Conference

Committee and San Bernardino International Airport. May 1, Highland. [Get tickets](#).

SelectUSA Investment Summit. Select USA. May 3–6, National Harbor, Maryland. [Event website](#).

NADEC Annual Trade Conference: Global Trade in Transition. National

Association of District Export Councils. May 12–13, Nashville, Tennessee. [Event website](#).

Farnborough Airshow. GO-Biz to lead delegation of economic developers. July 20–24, London, United Kingdom. [Event website](#).

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