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The California Supreme Court Sends A Message That Any Employer Control Over Employees—Even If The Employees Are Not Actively Working—May Constitute Compensable Time Worked

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On March 25, 2024, the California Supreme Court issued its decision in *Huerta v. CSI Electrical Contractors*, which provides certain clarity on nuanced wage and hour issues and the scope of the term "hours worked."

In this case, Plaintiff George Huerta and other workers were hired by a subcontractor to assist CSI Electrical Contractors (CSI) with procurement, installation, construction, and testing services at a solar power facility located on privately owned land in Monterey and San Luis Obispo Counties. Huerta was told by CSI management that a security gate—which was located approximately 10 to 15 minutes away from the employee parking lots—was the first place he had to go at the beginning of each workday. Each morning, employee vehicles formed a long line at the security gate, where guards scanned each worker's badge and sometimes inspected the vehicles. At the end of each work day, workers again formed a long line inside the security gate, where the exit procedure—which took anywhere from 5 to 30 minutes—took place. Huerta was not paid for the time he spent waiting to pass through the security gate at the beginning and end of each work day.

The California Supreme Court granted a request from the United States Court of Appeals for the Ninth Circuit to answer three questions:

- (1) Is time spent on an employer's premises in a personal vehicle and waiting to scan an identification badge, have security guards peer into the vehicle, and then exit a security gate compensable as "hours worked"?
- (2) Is time spent on an employer's premises in a personal vehicle, driving between the security gate and the employee parking lots compensable as "hours worked" or as "employer-mandated travel"?
- (3) Is time spent on an employer's premises, when workers are prohibited from leaving but not required to engage in employer-mandated activities, compensable as "hours worked"?

As to the first question, the Court concluded that when an employee is required to spend time on the employer's premises waiting to undergo an employer-mandated security procedure, that time is compensable. As to the second question, the Court held that the time an employee spends traveling between the security gate and employee parking lots is compensable as "employer-mandated travel" under the applicable wage order if the security gate is the first location where the employee's presence is required for an employment-related reason other than the practical necessity of accessing the worksite. As to the third question, the Court determined that the time an employer prohibits an employee from leaving the employer's premises which prevents the employee from engaging in otherwise feasible personal activities is considered "hours worked" and is therefore compensable.

The California Supreme Court's decision can be found here: https://www.courts.ca.gov/opinions/documents/S275431.PDF

If you have any questions please reach out to Jennifer M. Misetich.



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