Legal Update Article

California Garment Industry Requirements for Manufacturers

By Ellen Cohen

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Meet the Authors



Ellen Cohen
Principal
Ellen.Cohen@jacksonlewis.com

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Manufacturing

The garment manufacturing industry is heavily regulated by California. Two items garment manufacturers should be aware of are the registration requirements and the Garment Worker Protection Act.

Registration Requirements

Every person engaged in the business of garment manufacturing must register with the California labor commissioner. This registration requirement includes leasing companies and temporary agencies that provide employees engaged in sewing, cutting, making, processing, repairing, finishing, assembling, or otherwise preparing garments or articles of apparel.

Registration certificates showing the name, address, and garment manufacturing registration number in letters not less than three inches high must be displayed on the front entrance of the business premises. If the front entrance is within the interior of the building, then certificates must be displayed on or near the main exterior entrance of the building.

Instructions for registration are available on the labor commissioner's website.

Garment Worker Protection Act

<u>The 2022 Garment Worker Protection Act</u>addresses employee pay in the garment industry, as well as the responsibility of parties contracting with garment manufacturers.

The Act provides that garment workers must be paid an hourly rate not less than minimum wage and not a <u>piece rate</u>.

The law requires that, in addition to general recordkeeping obligations, employers, contractors, and manufacturers must keep for four years:

- The names and addresses of all garment workers directly employed.
- The hours worked daily by employees.
- The daily production sheets.
- The wage and rates paid each payroll period.
- The contract worksheets indicating the price per unit agreed to between the contractor and manufacturer.
- All contracts, invoices, purchase orders, work or job orders, and style or cut sheets. This
 documentation must include:
 - The business names, addresses, and contact information of the contracting parties.
 - A copy of the garment license for every person engaged in garment manufacturing who is a party to the contract.
- The ages of minor employees.
- Any other conditions of employment.

The labor commissioner has published a Frequently Asked Questions page on the Act.

For additional information, garment manufacturers may review the <u>Rules and Regulations</u> for the <u>Garment Manufacturing Industry</u> promulgated by the Division of Labor Standards Enforcement.

If you have questions about employment law compliance in the garment manufacturing industry in California or related issues, contact a Jackson Lewis attorney to discuss.

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