

SEPTEMBER 2026

AGENCY

California

On August 3, 2026, the California Labor and Workforce Development Agency (“LWDA”) issued new modifications to the previous February 6 Notice of Proposed Rulemaking (“Proposed Rule”) regarding the Private Attorneys General Act (“PAGA”).

PAGA Notices

The Proposed Rule would require notices to be submitted through an LWDA form and that the notice include “short and plain” factual statements and theories suffered by the claimant, rather than boilerplate allegations. The new modifications would additionally require that the PAGA notice include (1) the filing attorney’s state bar number and contact information; and (2) available administrative procedures for review. In addition, claimants can amend the PAGA notice of deficiencies within 30 days of receipt of the LWDA’s notice of deficiencies.

High-Frequency & Vexatious Filers

The Proposed Rule added specific “high-frequency filer” notice requirements targeting those law firms or attorneys who file more than 200 PAGA notices within the 12 preceding months. The modifications expand the definition of a “high-frequency filer” to attorneys who have filed more than 100 PAGA notices within the preceding 12 months. The modification also replaced the term “vexatious filers” to “non-compliant filers”. In order to be a “non-compliant filer,” an attorney must file three or more non-compliant PAGA notices in the preceding 12 months, receives a warning, and then continues to file non-compliant PAGA notices. The modification shows that the LWDA will continue to scrutinize the PAGA notices with a keen eye to those high-frequency filers.

Settlement

The Proposed Rule prohibited claimants from amending a PAGA notice to add alleged Labor Code violations after a settlement has been reached, or during the settlement process. The new modifications provide an exception. A claimant may amend the PAGA notice if it includes: (1) a list clearly setting forth the specific Labor Code sections allegedly violated and identifying any sections not included in any earlier filed PAGA notice; (2) a statement clearly describing the specific facts supporting the newly alleged violations and the inclusion of any new parties; (3) a statement clearly describing how the worker-protection purposes of PAGA, and the interests of justice, are furthered by amendment of the PAGA notice and the proposed settlement; (4) a statement describing the scope of any investigation or discovery conducted; and (5) a statement describing the manner in which claimant personally suffered the violation. Although amendments are permissible, these modifications still restrict the parties ability to negotiate an appropriate release and creates further uncertainty in the settlement process if the claimant has questionable standing.

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JUDICIAL

California

Narrow Arbitration Clause Did Not Extend Beyond Employment Agreement

In *Morales v. Superior Court.*, Sylvia Morales (“Morales”) filed a lawsuit against prior employer San Diego Gas & Electric for disability discrimination, failure to accommodate, failure to engage in the interactive process, retaliation under the Fair Employment Housing Act (“FEHA”) and the California Family Rights Act (“CFRA”), and wrongful termination in violation of public policy. The trial court compelled arbitration of her claims based on arbitration clauses contained in two employment agreements signed at hiring. Morales challenged the ruling under the *Tameny* doctrine, arguing that she had not agreed to arbitrate her wrongful termination claim, because the arbitration provision was limited to disputes arising from the employment agreement. The Court of Appeal agreed, holding that the relevant arbitration clause did not reach all claims connected to her employment relationship. It reasoned that Morales’ *Tameny*-based wrongful termination and statutory claims arose from unwaivable legal protections that existed independently of the employment agreement. The Court held that the agreement did not compel arbitration of those claims and directed the trial court to vacate its order compelling arbitration and enter a new order denying the motion.

Second Arbitration Agreement Did Not Give Second Bite of the Apple

In *Hickenbottom v. Medical Solutions LLC*, plaintiff Derek Hickenbottom (“Hickenbottom”), a former travel nurse for Medical Solutions LLC (“Medical Solutions”), filed a class action in San Diego County Superior Court alleging wage and hour violations. At time of hire, Hickenbottom signed multiple agreements containing arbitration provisions. When he accepted a temporary assignment through Medical Solutions, he signed an additional agreement incorporating a new arbitration policy. Medical Solutions filed a motion to compel arbitration using the arbitration provisions signed at time of hire. Hickenbottom opposed, arguing that the provisions were superseded by the arbitration agreement signed during his recent assignment. The court denied the motion, finding Medical Solutions had relied on the wrong agreement.

Medical Solutions then filed a second motion to compel arbitration, this time based on the updated agreement, but failed to provide the affidavit or explanation required by California Code of Civil Procedure section 1008 for renewed motions. Hickenbottom objected, contending that the second motion sought the same relief as the first and was subject to section 1008(b), which Medical Solutions had not satisfied. The court agreed, ruled it lacked jurisdiction to consider the renewed motion, and denied it.

On appeal, the Court of Appeal held that Medical Solutions’ motion sought identical relief as the first—compelling arbitration of the same claims—regardless of which agreement formed the basis. Moreover, because Medical Solutions failed to comply with section 1008(b), the trial court lacked jurisdiction, and the order denying the renewed motion was not appealable. Accordingly, the Court of Appeal dismissed the appeal.

This is Pettit Kohn Ingrassia Lutz & Dolin PC’s employment update publication intended to be educational regarding recent legislative changes and court decisions affecting California employers. If you would like more information regarding our employment team, please contact Tom Ingrassia, Jennifer Lutz, Ryan Nell, Shannon Finley, Christine Clark, Kristin Kameen, Nicole Allen, Ethan Anderson, Ruby Carlon, Melina Corona, Alec Dea, Will Dischmann, Kendall Garald, Michelle Guitard, Emma Hill, Gabriella Kelly, Celeste Leung, Haley Murphy, Jessica O’Malley, Nia Perkins, Mariam Saleh, Jenny Sturman, Jackson Sullivan, Lisa Thorsson or Ben Watson at our San Diego office: 11622 El Camino Real, Suite 300, San Diego, CA 92130, (858) 755-8500; or Nathalie Alvarez, Colette Asel, Steven Dawson, Jenny Che, Brett Greenberg or Jacob Schwartz at our Los Angeles office: 101 Continental Blvd., Suite 820, El Segundo, CA 90245, (310) 649-5772.