State of California

GOVERNMENT CODE

Section 12964.5

- 12964.5. (a) (1) It is an unlawful employment practice for an employer, in exchange for a raise or bonus, or as a condition of employment or continued employment, to do either of the following:
- (A) (i) For an employer to require an employee to sign a release of a claim or right under this part.
- (ii) As used in this subparagraph, "release of a claim or right" includes requiring an individual to execute a statement that the individual does not possess any claim or injury against the employer or other covered entity, and includes the release of a right to file and pursue a civil action or complaint with, or otherwise notify, a state agency, other public prosecutor, law enforcement agency, or any court or other governmental entity.
- (B) (i) For an employer to require an employee to sign a nondisparagement agreement or other document to the extent it has the purpose or effect of denying the employee the right to disclose information about unlawful acts in the workplace.
- (ii) A nondisparagement or other contractual provision that restricts an employee's ability to disclose information related to conditions in the workplace shall include, in substantial form, the following language: "Nothing in this agreement prevents you from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful."
- (2) Any agreement or document in violation of this subdivision is contrary to public policy and shall be unenforceable.
- (b) (1) (A) It is an unlawful employment practice for an employer or former employer to include in any agreement related to an employee's separation from employment any provision that prohibits the disclosure of information about unlawful acts in the workplace.
- (B) A nondisparagement or other contractual provision that restricts an employee's ability to disclose information related to conditions in the workplace shall include, in substantial form, the following language: "Nothing in this agreement prevents you from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful."
- (2) Any provision in violation of paragraph (1) is against public policy and shall be unenforceable.

- (3) This subdivision does not prohibit the inclusion of a general release or waiver of all claims in an agreement related to an employee's separation from employment, provided that the release or waiver is otherwise lawful and valid.
- (4) An employer offering an employee or former employee an agreement related to that employee's separation from employment as provided in this subdivision shall notify the employee that the employee has a right to consult an attorney regarding the agreement and shall provide the employee with a reasonable time period of not less than five business days in which to do so. An employee may sign such an agreement prior to the end of the reasonable time period as long as the employee's decision to accept such shortening of time is knowing and voluntary and is not induced by the employer through fraud, misrepresentation, or a threat to withdraw or alter the offer prior to the expiration of the reasonable time period, or by providing different terms to employees who sign such an agreement prior to the expiration of such time period.
- (c) As used in this section, "information about unlawful acts in the workplace" includes, but is not limited to, information pertaining to harassment or discrimination or any other conduct that the employee has reasonable cause to believe is unlawful.
- (d) (1) This section does not apply to a negotiated settlement agreement to resolve an underlying claim under this part that has been filed by an employee in court, before an administrative agency, in an alternative dispute resolution forum, or through an employer's internal complaint process.
- (2) As used in this section, "negotiated" means that the agreement is voluntary, deliberate, and informed, the agreement provides consideration of value to the employee, and that the employee is given notice and an opportunity to retain an attorney or is represented by an attorney.
- (e) This section does not prohibit the entry or enforcement of a provision in any agreement that precludes the disclosure of the amount paid in a severance agreement.
- (f) This section does not prohibit an employer from protecting the employer's trade secrets, proprietary information, or confidential information that does not involve unlawful acts in the workplace.

(Amended by Stats. 2021, Ch. 638, Sec. 2. (SB 331) Effective January 1, 2022.)