



## GFWC CALIFORNIA FEDERATION OF WOMEN'S CLUBS HANDY HINTS FOR MEMBER CLUBS - 2021

The GFWC California Federation of Women's Clubs seeks to support your club in achieving its purpose and goals. We have previously provided "Handy Hints" regarding maintaining your tax-exempt status, however, there are some important dos and don'ts for 2021 to keep in mind to help your club avoid liability in other areas:

1. **DO Establish a Telecommuting Policy:** In the age of COVID-19, establishing a remote work/telecommuting policy can help employers systematically approach employee requests to work remotely and combat any issues that may arise due to perceived favoritism or unfair treatment among various employees. A telecommuting policy allows you to objectively respond to requests, eliminates subjectivity, and keep expectations consistent across employees with regard to attendance, work hours, and business expenses.
2. **DO Ensure Independent Contractors are Properly Classified:** AB5 codifies the "ABC" test adopted by the California Supreme Court for classification of workers as employees or independent contractors:
  - A. Free from the control and direction of the hirer in connection with the work;
  - B. Performs work that is outside the usual course of the hirer's business; and
  - C. Customarily engages in the trade involved in the work performed.

The test presumes all workers are employees unless all prongs of the ABC test are satisfied. It also, in conjunction with subsequent legislation and Proposition 22, sets forth broad categories of exceptions – occupations, industries and circumstances for which the ABC test is not applied. However, for those exceptions, the existing *Borello* test will continue to apply. If you are classifying workers as independent contractors who do not clearly satisfy the ABC test's requirements, you should consult with legal counsel and review your classification to ensure compliance with this legal framework. Remember that workers cannot simply choose to be independent contractors because they prefer to be one, their status is defined by law!

3. **DO Register Your Raffle with the State Attorney General:** Gambling is illegal in California, and the law considers raffles to be gambling. However, there is a narrow exception for tax-exempt organizations who, unlike for-profit organizations, may conduct raffles to raise funds for beneficial or charitable purposes in the state. Raffles must be registered with the Attorney General's Registry of Charitable Trusts at least 60 days before the raffle and must also file an aggregate financial disclosure report for all raffles held during the reporting year. Registration and reporting forms are available online at <https://oag.ca.gov/charities/raffles>.
4. **DO Be Aware of the California Family Rights Act (CFRA) Expansion:** Effective on January 1, 2021, SB1383 was a significant change in the CFRA. SB1383 expands California Family Rights Act (CFRA) coverage to employers of five (5) or more employees and expands the definition of "family members" beyond what was previously covered by CFRA and what is presently covered under the federal Family Medical Leave Act (FMLA). This is significant as it provides employees with twelve (12) weeks of job-protected leave, so larger clubs with five or more employees need to be familiar with this legislation.
5. **DO Comply with California Law Regulating Food Sales:** California law allows individuals to apply for specific types of permits within their city/county to prepare and/or package certain foods under limited conditions in private home kitchens. Despite its popularity in many of our member clubs, it's important to understand that unless the preparation and sale of home-prepared foods is performed by someone holding a proper permit, its sale is generally otherwise not legal in California. Unpermitted and unlicensed food sales may also expose the seller to liability. Proceed with caution before serving or selling home-prepared foods at events.
6. **BINGO:** Clubs and Districts need to check with their local city and/or county regarding bingo. It falls under 326.5 of the California Penal Code but it still has to be permitted by a local ordinance. If it is online but through a group locally, make sure the group running it complies with the local ordinance. There do not appear to be any laws governing solely online games, (i.e. gaming websites).

*HACKLER FLYNN & ASSOCIATES, APC created this document for GFCW California Federation of Women's Clubs, however, this document is not intended as legal advice. Additional facts or future developments may affect subjects contained herein. Seek the advice of an attorney before acting or relying upon any information herein. Hackler Flynn & Associates, APC may be contacted at (323)247-7030 or found at [www.hacklerflynnlaw.com](http://www.hacklerflynnlaw.com).*

**This is an UPDATE with new information for 2021. Please DO take a look at both versions of the Handy Hints in order to stay informed of your duties and rights as a part of the California Federation of Women's Clubs.**