



# 2024 Wrapped: 13 Developments That Shaped California Law This Year

No, this is not a merry musical recap in which an audio streaming service recounts your top bops from the year and presents you with heartwarming clips of your favorite artists thanking you for listening to their hits. But it is the next best thing – a thoughtful reflection on the cases and legislation that impacted the California legal profession in 2024, giving you strategic insights to carry into 2025.

There probably isn't a lawyer out there who doesn't aim to start the new year with clarity and confidence, but only by taking stock of the year's developments can you truly be prepared for what's ahead. At CEB, we've been tracking these shifts all year round, knowing their implications might hit differently in hindsight.



## Business law

### 1 Cancellation and consent requirements present new risks for subscription-based businesses

Clients with subscription-based businesses will soon have new requirements to adhere to and face greater liability pitfalls. That's due to a [new consumer consent law](#) taking effect July 1, which imposes stricter cancellation procedures and extends liability beyond the subscription services to the goods or services marketed, even when promoted by third parties.

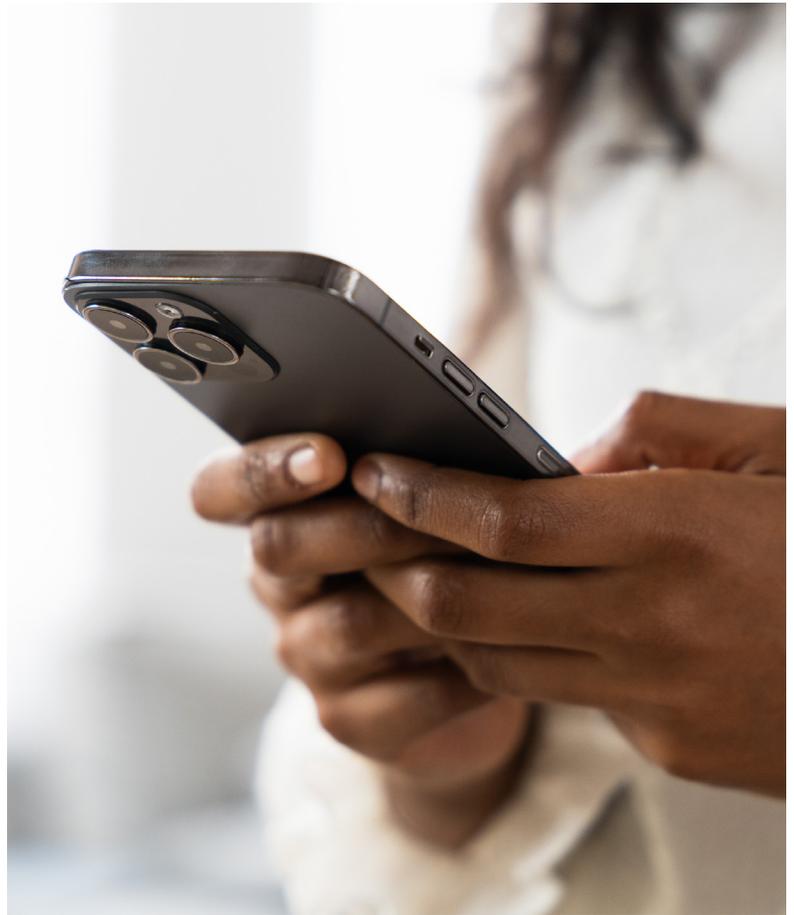
Attorneys should advise clients to review their marketing and subscription practices carefully and explain the risks associated with third-party marketing activities to avoid costly legal claims.

### 2 Facebook case could impact liability for posted content — and impact AI adoption

A [federal lawsuit against Facebook](#) in the Northern District of California could impact Section 230 of the Communications Decency Act, which protects websites from being held responsible for what users post.

In *Forrest v. Meta Platforms, Inc.*, the plaintiff alleges Facebook should be held liable for fraudulent ads that used his name and image because they were created using the tech giant's own advertising tools. If the plaintiff prevails and the courts find that AI tools count as creating content, tech companies might become more cautious about adding AI chatbots, content generators and other tools to their platforms to avoid being held accountable for what the technology creates or suggests.

Attorneys operating in the tech or digital media sectors should stay updated on this case and anticipate how future rulings could impact their clients.



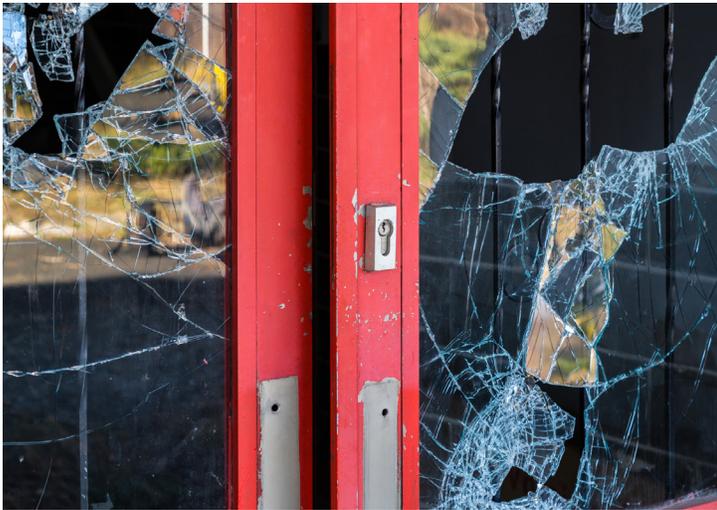
# Criminal law

## 3 Tougher sentencing laws for retail theft raise the stakes for defendants

Efforts to crack down on retail theft have resulted in a new law that requires courts to give harsher sentences to defendants guilty of taking, damaging or destroying property worth more than \$50,000.

This “[smash-and-grab](#)” law — also known by its less conspicuous name of AB 1960 — adds additional years to sentences for crimes depending on the amount stolen, including those who knowingly receive or resell stolen property. In addition, the law doubles probation for shoplifting and petty crimes to two years and gives businesses the power to pursue restraining orders against retail thieves. The law also allows prosecutors to combine the value of property stolen from multiple victims and locations to reach the \$950 felony grand theft threshold.

This law underscores the importance of thorough case preparation and strategic counsel. Criminal defense attorneys should carefully evaluate the financial threshold in their client’s cases and consider strategies that challenge property valuations or mitigate the impact of these enhanced penalties.



## 4 Reforms to restitution aim to reduce financial burden on young offenders

California courts will [seek less in restitution fines](#) from minors in 2025 as part of an effort to reduce the financial burden on young offenders while still holding them accountable. The law also means minors will only be severally liable — meaning they will be responsible only for their individual share of restitution rather than the full amount owed collectively by all involved parties.

Attorneys should counsel juvenile clients and their families on these changes and ensure that restitution orders reflect the new provisions.

# Employment law

## 5 PAGA reforms add filing requirements to discourage frivolous employment claims

Two significant changes to the Private Attorneys General Act (PAGA) have made it slightly more challenging for employees to bring lawsuits by adding new procedural steps and narrowing the scope of who can sue employers and for what reason.

[SB-92](#) requires employees to provide detailed notice of alleged violations to employers and pay a \$75 filing fee when submitting the notice to the Labor and Workforce Development Agency (LWDA). This gives employers a chance to respond or address the issues before a lawsuit begins. The change applies to any civil action brought on or after June 19, 2024.

[AB-2288](#) prevents employees from suing for violations they didn't personally experience. As of June 19, employees can only sue on behalf of other employees if they also suffered from the same alleged violation during a specific time period.

Attorneys should advise employers and employees in California on the updated procedural requirements to ensure timely and accurate filings. For employers, responding to notices now carries heightened importance, as addressing alleged violations early can prevent litigation. For employees, meanwhile, these changes underscore the need for careful evaluation of claims before filing, as the new standards require detailed facts and theories of alleged Labor Code violations from the outset.

## 6 New law expands worker protections by preventing "captive audience" meetings

In 2025, a [new employment law](#) called the California Worker Freedom from Employer Intimidation Act will protect employees from being required to attend meetings where their employer promotes political, religious or union-related beliefs. These are often called "captive audience" meetings because employees are required to listen to the employer's views, even if they disagree. The law prohibits employers from forcing employees to participate in such meetings as a condition of their job.

Attorneys should counsel employers on compliance by reviewing workplace policies and training management to avoid practices that could violate the new protections. For employees, this law offers additional safeguards against coercion, and attorneys may need to provide guidance on asserting these rights.

## 7 Gig workers likely to remain independent contractors under California law

This July, a California Supreme Court ruling strengthened the state's existing classification of gig workers. [The decision](#) in *Castellanos v. State of California* upheld Proposition 22, which says drivers for companies such as Uber, Lyft and DoorDash are independent contractors, not employees, as long as certain conditions are met. As independent contractors, they aren't covered by California's workers' compensation laws, which typically apply to employees.

Lawyers involved in workers' rights, labor law or union representation may need to reconsider strategies or focus on other avenues, such as federal law or future state legislative efforts, to address workers' compensation and benefits.

# Real property

## 8 Commercial landlords face greater scrutiny

Smaller commercial tenants will start receiving protections similar to those enjoyed by residential tenants from January 1, when [a new law](#) will take effect to promote transparency in certain commercial tenancy arrangements.

First, the law mandates that if a lease is not negotiated in English, the landlord must provide a translated copy. If they don't, the tenant might have the right to cancel it. Second, certain commercial tenants will be entitled to advance notice of rent increases (30 days for increases under 10%; 90 days for over 10%) and termination (60 days or 30 days, depending on how long the tenant has occupied the space). Third, landlords will need to provide detailed documentation of any building operating fees they charge tenants, including the costs, allocation formula and timing. Tenants can take legal action if landlords violate these rules.

To qualify, tenants must be either microenterprises, nonprofit organizations with less than 20 employees or restaurants with less than 10 employees. Qualifying commercial tenants must also give notice of their status to landlords.

For attorneys advising landlords, it's important to review existing leases and practices and conduct compliance audits for landlords to ensure they align with the new law. Lawyers advising commercial tenants should help them determine if they qualify and then inform them of their new rights and how to assert them.



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## Residential landlords have new reporting requirements

Landlords will soon have a duty to offer tenants the option to report their positive rent payments under [a new law](#) designed to help renters build their credit history. This means that if tenants pay on time, landlords must share that with at least one major credit reporting agency.

Attorneys representing landlords should help them establish clear procedures for tracking and reporting payments to ensure they comply. Lawyers representing tenants should inform them about their rights and explain how to request and benefit from positive rental reporting. This law could also trigger new disputes, so litigators should be on the lookout for inaccuracies in reported payment histories or failure to comply with requirements.

## Real property

### 10 Some unpermitted ADUs will have a path to legalization

From January 1, it will also be easier for California property owners to legalize accessory dwelling units (ADUs) or junior [accessory dwelling](#) units (JADUs) that were built without permits before 2020. Instead of creating new rules, the bill [expands existing provisions](#) to include these unpermitted or informal units. It also clarifies how property owners can bring these structures into compliance, providing a clearer path to legalization. This helps property owners avoid penalties and ensures these units meet safety and zoning standards.

California lawyers can assist property owners of unpermitted ADUs and JADUs by guiding them through the process of legalizing their units, helping them avoid penalties and assisting with any necessary modifications or documentation. Lawyers representing property owners in disputes with local authorities or neighbors can help them navigate local ordinances and avoid legal challenges and penalties while bringing their units into compliance.

### 11 CEQA updates impacting California housing

It was an eventful year for [California housing legislation](#), with 40 bills introduced and 14 signed by Gov. Gavin Newsom. Many contain provisions affecting the California Environmental Quality Act (CEQA), which requires public agencies to assess and disclose the environmental impact of their actions, informing decision-makers and the public to prevent significant, avoidable harm.



## Trusts and estate law



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### “Small estates” just got larger

In a major update to California's probate administration process, **AB-2016** raises the value threshold for a "small estate" involving a decedent's primary residence from \$166,250 to \$750,000, aligning it more closely with California's high median home prices.

Beginning next year, this change will allow more families to use the simplified probate process under **Probate Code section 13151** to transfer ownership of a primary residence without undergoing formal probate administration. When combined with the existing Probate Code section 13100 threshold of \$184,500, the total potential assets that could pass outside of probate reach just shy of \$1 million. See Jennifer Dean's [DailyNews article](#) for further detail on the bill.

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### Long-awaited clarification on how to modify a revocable trust

Resolving a split of authority among circuit courts, the California Supreme Court ruled that a revocable trust can be modified using the same procedures as revoking it unless the trust specifically says otherwise. In this case, the trust was amended multiple times — with the final amendment excluding a relative who challenged its validity, arguing that it wasn't notarized as required by the trust's terms. The court ruled that the amendment was valid since the trust didn't explicitly limit how it could be modified.

The decision clarifies how revocable trusts can be modified under California law. Lawyers handling estate planning or trust disputes should be aware that unless a trust explicitly requires a specific method for modification, the same procedures used for revocation can be applied. This could affect how they draft, amend or challenge trust modifications in the future.

## Until next year

As we wrap up 2024, it's clear that these legislative and judicial developments will reverberate through the California legal profession in 2025 and beyond. Whether you're navigating the complexities of worker classifications, adapting to evolving trust law or tracking the broader legal implications of AI, may these insights remain in your head like a catchy tune you can't shake – or at least outlast your new year's resolutions. See you in 2025!



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