The Taylor Law formally establishes:

- The right of public employees to organize and bargain collectively with their employers;
- The right to representation by employee organizations (unions) of their own choosing;
- The requirement that public employers (including school districts) negotiate with their employees and enter into written agreements (contracts) with their employees' chosen representatives;
- Procedures for resolution of contract disputes (impasses);
- Prohibition of improper labor practices by either side;
- Creation of the Public Employment Relations Board (PERB) to administer the law; and
- The requirement that bargaining unit members who choose not to join a union pay an agency fee, and that use of the fee for political and ideological purposes only incidentally related to bargaining and to which the agency fee payer objects, is subject to a rebate procedure.