

Date of Hearing: April 14, 2026

ASSEMBLY COMMITTEE ON MILITARY AND VETERANS AFFAIRS

Pilar Schiavo, Chair

AB 2054 (Gipson) – As Amended March 16, 2026

SUBJECT: Family temporary disability insurance program: covered active duty.

SUMMARY: Expands the definition of “covered active duty” for U.S. Armed Forces members to include training, deployments within the U.S., and additionally for reservists and members of the National Guard, being called to state active duty, thereby enabling a "designated person" to qualify for Paid Family Leave (PFL) benefits.

EXISTING STATE LAW:

- 1) Establishes the Employment Development Department (EDD) to, among other duties, administer the Unemployment Insurance (UI) and Disability Insurance programs. (UI Code §301)
- 2) Establishes the State Disability Insurance (SDI) program as a partial wage-replacement plan funded through employee payroll deductions that is available (through the Disability Insurance and PFL programs) to eligible individuals who are unable to work due to sickness or injury of the employee (including pregnancy), the sickness or injury of a family member, or the birth, adoption, or foster care placement of a new child. (UI Code §2601-3308)
- 3) Provides eligible employees with up to eight weeks of wage replacement benefits through PFL within a 12-month period to those who need to take time off work for the following reasons:
 - a) To care for a seriously ill family member, as defined;
 - b) To bond with a minor child within one year of the birth or placement of the child in connection with foster care or adoption; or,
 - c) To participate in a qualifying event because of a family member’s military deployment. (UI Code §3301)
- 4) Defines “military member” to mean child, spouse, domestic partner, or parent of the employee, where the military member is on covered active duty or call to active duty in the U.S. Armed Forces. (UI Code §3302)
- 5) Defines “covered active duty” to mean the period of duty for a member of the regular U.S. Armed Forces while deployed to a foreign country for members of the reserve components of the U.S. Armed Forces and the National Guard, specifically during their deployment to a foreign country under a federal call or order to active duty. (UI Code §3302.1)
- 6) Defines “family member” to mean a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner. (UI Code §3302)

EXISTING FEDERAL LAW: Allows family of members of the U.S. Armed Forces, National Guard, or Reserves to take unpaid job-protected “Qualifying Exigency Leave” under the federal Family and Medical Leave Act (FMLA) for up to 12 weeks to manage affairs when the service member is deployed to a foreign country. (Title 29 U.S. Code § 2612(a)(1)(E))

FISCAL EFFECT: This bill has not been analyzed by a fiscal committee.

COMMENTS:

1) PURPOSE OF THIS BILL. According to the author, “AB 2054 is about fairness for our military families. Currently, access to paid family leave depends on a narrow definition of active duty, which means some military families are left trying to make ends meet – simply because of how a service member’s duty is classified. When service members are deployed, or called up for training, their families take on additional responsibilities – while rising childcare costs add even more pressure. By modernizing these definitions, AB 2054 ensures our policies reflect today’s military service landscape and deliver the benefits military families have earned.”

2) BACKGROUND.

a) *Other States.* According to the National Conference of State Legislatures, 13 states and the District of Columbia have enacted mandatory, state-run paid family and medical leave programs. These programs provide paid time off for family caregiving, bonding, and personal serious health issues. An additional 10 states have enacted legislation to create a voluntary paid leave option. These states have created optional paid leave coverage employers can purchase through private insurers. Several states mandate PFL that includes coverage for "qualifying exigencies" related to military deployment or to care for an injured service member. Qualifying exigencies includes short-notice deployment, military events, and arranging alternative childcare.

b) *Major California National Guard (CalGuard) deployments in 2025.* Starting in January 2025, more than 2,500 CalGuard members were deployed for aerial and ground firefighting against historic wildfires in Southern California. Throughout early 2025, CalGuard members, including specialized firefighting crews of the Joint Task Force Rattlesnake were engaged in air and ground firefighting efforts in support of the California Department of Forestry and Fire Protection (Cal FIRE) and Law Enforcement Mutual Aide. Joint Task Force Rattlesnake is made up of over 300 CalGuard members, who work under the direction of Cal FIRE to help fight and prevent fires. In addition, CalGuard deployed two wildland firefighting crews who had been trained in a matter of weeks to relieve and support those already deployed. A total of 1,770 military police and other servicemembers were activated to support law enforcement operations and manning traffic control points.

In June 2025, President Trump ordered approximately 4,000 CalGuard troops to Los Angeles to handle immigration-related protests. In October 2025, Governor Newsom deployed CalGuard on a humanitarian mission to support food banks with logistics, packing, and distribution to prevent food shortages statewide following a federal shutdown that delayed SNAP benefits for 5.5 million residents.

Even though these CalGuard servicemembers were activated quickly and deployed away from their homes, their families did not qualify for PFL because they had not been deployed to another country. Current law fails to adequately address the needs of today's military families. California’s PFL only applies to foreign deployments, excluding many National Guard and reserve members serving domestically. As a result, military-related

job disruptions are increasing, with recent statistics showing absences at their highest level in nearly 20 years due to more National Guard activations. These absences pose financial and caregiving challenges, regardless of deployment location.

- 3) SUPPORT.** According to the sponsor, the Department of Defense, U.S. Defense-State Liaison Office, Pacific Southwest Region (DoD), California is home to over 240,000 service members and nearly 90,000 military spouses who significantly enhance our economy and communities. The DoD states in support that this bill represents a vital step forward in supporting both our families and the military's readiness. For service members to remain fully focused on their missions without distractions, we must recognize and address the unique challenges posed by military life, such as deployments, extended training missions, and state activations in times of disaster. Additionally, long-term care for combat-related injuries adds to this complexity.

The DoD explains that when military families struggle with insufficient leave options, service members are left to deploy amidst worries about their loved ones facing financial and logistical challenges. These distractions can jeopardize safety during critical operations. California has always been at the forefront of supporting working families, having established the nation's first PFL program and subsequently expanding it to accommodate military needs linked to overseas deployments.

The DoD argues that this bill seeks to broaden PFL eligibility for military exigencies, extending beyond just foreign deployments to better reflect modern military realities. It will include families of active-duty and reserve service members called for extended training or other temporary duties on U.S. soil, as well as National Guard members mobilized under Title 10 or Title 32 orders.

In conclusion, the DoD highlights that these domestic assignments pose urgent family needs like those of overseas deployments, yet they often lack consistent support. By empowering military family members to navigate these challenges without compromising their employment or income, this bill fosters peace of mind. This, in turn, leads to improved focus and operational effectiveness for our military forces.

- 4) DOUBLE REFERRAL.** This bill is double referred, upon passage in this Committee, this bill will be referred to the Assembly Committee on Insurance.
- 5) PREVIOUS LEGISLATION.**
- a) SB 590 (Durazo), Chapter 772, Statutes of 2025, expands, commencing on July 1, 2028, eligibility for benefits under the Paid Family Leave program to include individuals who take time off work to care for a seriously ill designated person, as defined.
 - b) SB 1090 (Durazo), Chapter 876, Statutes of 2024, authorizes workers to file a claim for SDI or PFL benefits up to 30 days in advance of the first compensable day of disability and requires EDD to issue payment on those claims within 14 days of receipt (per existing law) or as soon as eligibility begins for the claimant, whichever is later. This change becomes operative when they are incorporated in EDD's integrated claims management system as part of the EDDNext Project.

- c) AB 518 (Wicks) of 2023 was nearly identical SB 590 but was amended to address another topic related to the CalFresh program in 2024.
- d) AB 575 (Papan) of 2023 would have made changes to the PFL program to extend eligibility to workers who need to take time off work to bond with a minor child within one year of assuming responsibilities of a child in loco parentis and delete restrictions relating to how individuals use their PFL benefits, as specified. AB 575 was vetoed by the Governor who stated, among other things, that this bill “would create pressure on the DI Trust Fund's solvency and adequacy resulting in higher disability contributions paid by employees. In addition, it contains implementation costs not accounted for in the annual budget process.”
- e) AB 1041 (Wicks), Chapter 748, Statutes of 2022, expands the list of individuals for which an employee can take leave under the California Family Rights Act and the Healthy Workplaces, Healthy Families Act of 2014 to include a designated person.
- f) SB 951 (Durazo), Chapter 878, Statutes of 2022, revises the formula for the computation of SDI and PFL benefits to increase the wage replacement available to claimants.
- g) SB 1058 (Durazo), Chapter 317, Statutes of 2022, requires EDD to collect demographic data, including race and ethnicity data and sexual orientation and gender identity data, for individuals who claim disability benefits under the SDI and PFL programs.
- h) SB 83 (Committee on Budget and Fiscal Review), Chapter 24, Statutes of 2019, beginning July 1, 2020, extends from six to eight weeks the maximum duration of PFL benefits individuals may receive.
- i) SB 1123 (Jackson), Chapter 849, Statutes of 2018, expands the PFL program to include time off to participate in a qualifying exigency related to covered active duty, as defined, or call to covered active duty of the individual's spouse, domestic partner, child, or parent in the armed forces.
- j) SB 770 (Jackson), Chapter 350, Statutes of 2013, expands the definition of family to include in-laws, siblings, and grandparents.

REGISTERED SUPPORT / OPPOSITION:**Support**

Department of Defense, U.S. Defense-State Liaison Office, Pacific Southwest Region (Sponsor)
Military Services in California

Opposition

None on file.

Analysis Prepared by: Patty Patten / M. & V.A. / (916) 319-3550