
SENATE COMMITTEE ON MILITARY AND VETERANS AFFAIRS

Senator Bob Archuleta, Chair

2025 - 2026 Regular

Bill No: AB 2054
Author: Gipson
Version: 3/16/26
Urgency: No
Consultant: Diego Nelson

Hearing Date: 6/22/26

Fiscal: Yes

Subject: Family temporary disability insurance program: covered active duty

DESCRIPTION

Summary:

Expands Paid Family Leave eligibility for military-related qualifying exigency leave by updating the definition of “covered active duty” to include non-foreign deployments, extended training assignments, and, for reserve component members including the National Guard, federal or state active duty.

Existing law:

1. Establishes the Employment Development Department to administer the state’s Unemployment Insurance and Disability Insurance programs. (Unemployment Insurance Code § 301)
2. Establishes the State Disability Insurance program as a partial wage-replacement program and provides for the payment of disability benefits funded through employee payroll deductions. (Unemployment Insurance Code §§ 2601, 984, 2901, 3001)
3. Establishes the family temporary disability insurance program, commonly known as Paid Family Leave, to provide eligible workers with up to eight weeks of wage replacement benefits within a 12-month period. (Unemployment Insurance Code § 3301(a), (d))
4. Allows Paid Family Leave benefits when an employee takes time off work to care for a seriously ill child, spouse, parent, grandparent, grandchild, sibling, or domestic partner; to bond with a minor child within one year of birth, adoption, or placement in foster care; or to participate in a qualifying exigency related to the covered active duty or call to covered active duty of the employee’s spouse, domestic partner, child, or parent in the Armed Forces of the United States. (Unemployment Insurance Code §§ 3301(a)(1), 3302(e), 3302(f), 3302.2)
5. Defines “covered active duty,” for a member of the regular Armed Forces, as duty during deployment to a foreign country. (Unemployment Insurance Code § 3302.1(a)(1))
6. Defines “covered active duty,” for a member of the reserve components of the Armed Forces, as duty during deployment to a foreign country under a federal call or order to active duty. (Unemployment Insurance Code § 3302.1(a)(2))
7. Provides that the Unemployment Compensation Disability Fund is continuously appropriated for the payment of disability and Paid Family Leave benefits and for expenses related to administering those programs. (Unemployment Insurance Code § 3012(a))

Existing Federal law:

Federal law allows eligible employees to take unpaid, job-protected leave under the federal Family and Medical Leave Act for qualifying exigencies arising out of a family member's covered active duty or call to covered active duty in the Armed Forces. This leave may be used to address matters such as short-notice deployment, military events, childcare arrangements, financial and legal arrangements, counseling, rest and recuperation, and post-deployment activities.

This bill:

1. Expands "covered active duty" for members of the regular Armed Forces to include duty during training and deployment, including non-foreign deployment.
2. Expands "covered active duty" for members of the reserve components of the Armed Forces, including the National Guard, to include duty during training or a call or order to federal or state active duty.
3. Allows eligible family members to qualify for Paid Family Leave benefits when they take time off work to participate in a qualifying exigency related to these expanded categories of military service.
4. Makes an appropriation by expanding eligibility for benefits paid from the continuously appropriated Unemployment Compensation Disability Fund.

BACKGROUND

California's Paid Family Leave program provides wage replacement benefits to workers who must take time away from work for specified family-related reasons. The program is part of the State Disability Insurance system and is funded through employee payroll deductions. In 2018, California expanded Paid Family Leave to include military-related qualifying exigency leave. That change recognized that military deployments can create immediate family responsibilities, including arranging childcare, attending military events, handling financial or legal matters, and managing household needs while a service member is away.

However, the current military-related Paid Family Leave framework is limited by the definition of "covered active duty." Existing law generally focuses on deployment to a foreign country. As a result, families of service members activated for domestic missions, state active duty, or extended training may not qualify for Paid Family Leave benefits, even when the service member's absence creates the same practical family responsibilities as an overseas deployment.

This issue is particularly relevant for National Guard and reserve families. National Guard and reserve members may be activated quickly for wildfires, disaster response, civil support missions, humanitarian assistance, public safety operations, or other state and federal missions. These activations can require service members to leave home for extended periods, creating childcare, transportation, financial, legal, and household responsibilities for their families.

Military-related absences from civilian employment have increased in recent years, driven in part by increased National Guard activations. These absences can create financial and logistical stress for families regardless of whether the service member is sent overseas, deployed domestically, or ordered to training. As a result, the current definition may lead to inconsistent access to benefits for families experiencing similar disruptions.

Several other states have paid family or medical leave programs that include provisions for military families, including Colorado and Massachusetts, and other states have considered or are considering related legislation. This reflects a broader effort to align family leave policies with the modern use of active, reserve, and National Guard forces.

COMMENT

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”.

This bill updates California’s Paid Family Leave program to better reflect the realities of modern military service by recognizing that training, domestic deployments, and state active duty can create the same family disruptions as overseas deployments. Current law generally limits military-related Paid Family Leave eligibility to a family member’s covered active duty or call to covered active duty, which is largely tied to foreign deployment. That framework does not fully account for the role of National Guard and reserve service members, who are often called away from their families for domestic emergencies, disaster response, training requirements, border missions, civil support operations, or other state and federal duties.

For families, the practical impact of a service member’s absence may be the same regardless of where the mission occurs. A spouse, parent, or other eligible family member may need time away from work to arrange childcare, attend military briefings, handle legal or financial matters, support children, or manage household responsibilities caused by the activation. The author’s office argues that the lack of a clear and updated definition can lead to inconsistent application of the law, administrative confusion, and inequitable treatment of military families.

By expanding the definition of covered active duty, AB 2054 allows eligible family members to access wage replacement benefits when a service member’s activation creates qualifying family needs, regardless of whether the mission occurs overseas or domestically. This change provides more consistent support for military families, particularly National Guard and reserve families, and may also improve military readiness by allowing service members to focus on their duties knowing their families have access to temporary wage replacement during periods of disruption.

POSITIONS

Sponsor: U.S. Defense-State Liaison Office, Pacific Southwest Region

Support: California Association of County Veterans Service Officers
City of Fairfield
Military Services in California

Oppose: None received

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