SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2495 (Kalra) - Unlawful immigration-related practices

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Policy Vote: L., P.E. & R. 4 - 1, JUD. 11 - 2
Urgency: No
Mandate: No
Hearing Date: August 3, 2026
Consultant: Robert Ingenito

Bill Summary: AB 2495 would expand the prohibition on an employer retaliating against an employee by engaging in, or directing another to engage in, an unfair immigration-related practice by (1) additionally prohibiting an employer from preventing a person from exercising any right protected under existing laws, (2) prohibiting an employer from dissuading an employee from engaging in conduct that the employee has a legal right to engage in or abstain from, as specified, and (3) making an employer or other person who violates these provisions liable for a civil penalty of up to $10,000 per employee or person for each violation.

Fiscal Impact:

- The Labor Commissioner's Office (LCO), within the Department of Industrial Relations (DIR), indicates that it would incur first-year costs of $900,000 to $1.4 million, and $800,000 to $1.3 million annually thereafter, to implement the provisions of the bill (Labor Enforcement and Compliance Fund).

- By expanding an existing prohibition for which a civil action may be filed to recover equitable relief, damages, or penalties, and enacting a new employer penalty for a violation of the existing and new prohibitions, this bill may result in an increased number of civil actions. Consequently, the bill could result in potentially significant cost pressures to the courts; the magnitude is unknown (Trial Court Trust Fund (TCTF)). The specific number of new actions that could be filed under the bill also is unknown; however, it generally costs about $10,500 per day to operate a courtroom. Courts are not funded on the basis of workload, and increased pressure on TCTF may create a need for increased funding for courts from the General Fund. The enacted 2026-27 budget includes $70 million in ongoing support from the General Fund to continue to backfill TCTF for revenue declines.

- The bill could result in increased penalty revenue. The magnitude is unknown, but probably minor.

Background: According to the Public Policy Institute of California, California is home to approximately 10.9 million immigrants, more than any other state. In 2024, the most recent year for which data is available, foreign-born residents comprised 28 percent of the State's population. Although immigration flows to California have slowed in recent decades, immigrants continue to play a significant role in the state's economy and remain an important source of economic growth.

Existing labor laws protect all workers, regardless of immigration status. California law also prohibits employers from retaliating against employees who report workplace violations or exercise rights protected under state labor laws. Specifically, employers are prohibited from engaging in unfair immigration-related practices, such as taking adverse employment actions or making immigration-related threats, in retaliation for an employee exercising those rights.

Despite these protections, immigrant workers remain less likely than other workers to report workplace hazards, injuries, wage theft, or other labor law violations due to fear of deportation or retaliation, language barriers, and limited awareness of their rights. These barriers can enable unscrupulous employers to exploit vulnerable workers and undermine workplace protections intended to benefit all employees.

While existing law prohibits immigration-related retaliation, those protections generally apply only after an employee has exercised a protected right and an employer responds with a retaliatory immigration-related action. As a result, existing law provides limited protection against immigration-related threats or coercive conduct intended to discourage workers from reporting violations or exercising their rights in the first instance.

Proposed Law: This bill, among other things, would do the following:

- Expand the prohibition on an employer or any other person engaging in, or directing another person to engage in, an unfair immigration-related practice against a person for the purpose of, or with the intent of, retaliating against any person for exercising a right protected under state and local laws, as specified, to additionally prohibit doing so:
  - For the purpose of, or intent of, preventing a person from attempting to exercise any right protected under any local, state, or federal statute or regulation applicable to employees.
- Make it unlawful for an employer or any other person to engage in any other conduct, related to any person’s perceived immigration status, that would reasonably tend to dissuade an employee from engaging in conduct that the employee has a legal right to engage in, or a legal right to abstain from, under any local, state, or federal statute or regulation applicable to employees.
- Provide that, consistent with existing Labor Code Section 1171.5, actual immigration status is irrelevant to the determination of liability under these provisions.
- Provide that, in addition to other remedies available, an employer or other person who violates the unfair immigration-related practices provisions is liable for a civil penalty not exceeding $10,000 per employee or person for each violation, to be awarded to the employee or person who suffered the violation.

Related Legislation:

- SB 294 (Reyes, Chapter 667, Statutes of 2025) (1) requires employers to provide a stand-alone written notice annually to each employee informing them of their rights under state and federal law, as specified; (2) directs the LC to develop a template notice, as well as videos for employers and employees informing them of their responsibilities and rights, as specified; (3) requires employers, if authorized by an employee, to contact an employee's designated emergency contact if the employee is arrested or detained, as specified; and (4) authorizes various penalties for noncompliant employers.

- AB 1136 (Ortega) would have provided, until July 1, 2029, job protections to workers who are detained or need to take time off from work to resolve immigration-related matters including requiring employers to reinstate the employee to their former job classification without loss of seniority upon their return, as specified. The bill was vetoed by Governor Newsom.

- SB 54 (De Leon, Chapter 495, Statutes of 2017) limited the involvement of state and local law enforcement agencies in federal immigration enforcement.

- AB 450 (Chiu, Chapter 492, Statutes of 2017) prohibited an employer from providing access to a federal government immigration enforcement agent to any non-public areas of a place of labor if the agent does not have a warrant.

Staff Comments: The Office of the Legislative Counsel has keyed this bill "non-fiscal." However, the purview of this Committee, pursuant to Joint Rule 10.5, is to review and analyze bills that would, among other things, result in a substantial expenditure of state money. Thus, even though the bill was keyed "non-fiscal," the Committee requested the bill to examine the extent to which it might potentially increase costs to the State.

This bill would expand existing protections by prohibiting an employer from using conduct related to a person's perceived immigration status to prevent or dissuade a worker from exercising rights protected under labor laws.

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