## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair 2025 - 2026 Regular Session

AB 250 (Aguiar-Curry) - Sexual assault: statute of limitations

**Version:** January 15, 2025 **Policy Vote:** JUD. 10 - 0

Urgency: No Mandate: No

**Hearing Date:** July 14, 2025 **Consultant:** Liah Burnley

**Bill Summary:** Revives civil sex assault cases and related claims, otherwise barred by the statute of limitations, for an additional two years, as specified.

## **Fiscal Impact:**

- Unknown, potentially significant costs to the state funded trial court system (Trial Court Trust Fund, General Fund) to adjudicate civil actions. Reviving otherwise expired claims will lead to additional case filings that otherwise would not have been commenced, with attendant workload and resource costs to the court. The fiscal impact of this bill to the courts will depend on many unknowns, including the number of cases filed and the factors unique to each case. An eight-hour court day costs approximately \$10,500 in staff in workload. If court days exceed 10, costs to the trial courts could reach hundreds of thousands of dollars. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to fund additional staff and resources and to increase the amount appropriated to backfill for trial court operations.
- Unknown, potentially significant costs to state agencies and local agencies (General Fund, local fund) to litigate revived sex assault cases, depending on the number of revived cases. If state and local agencies are required to litigate otherwise timebarred claims as a result of this bill, they will spend time and resources to gather and preserve decades-old records, respond to subpoenas and discovery requests, and may incur substantial legal defense costs, including possible settlement or judgment liabilities. (See staff comments)

**Background:** Statutes of limitations dictate the time within which a legal proceeding must begin. A case will typically be dismissed if it is not brought before the statute of limitation expires. Statutes of limitations play a critical role in ensuring that justice is timely served. They encourage plaintiffs to gather their evidence early and to bring their cases to court promptly, thereby preventing any delays and inaccuracies that arise due to the destruction of evidence, fading memories, and the passing away of witnesses. Statutes of limitations also prevent the unexpected enforcement of stale claims "concerning which persons interested have been thrown off their guard by want of prosecution."

When statutes of limitations are too long or are uncertain (for example, when an expired limitations period is revived by the Legislature), commercial and other activities become encumbered by the looming threat of litigation. The limitations period serves important

<sup>&</sup>lt;sup>1</sup> Pashley v. Pacific Elec. Co. (1944) 25 Cal. 2d 226, 228-29.

policy goals that help to preserve both the integrity of our legal system and the due process rights of individuals. "These statutes are declared to be 'among the most beneficial to be found in our books. They rest upon sound policy, and tend to the peace and welfare of society."<sup>2</sup>

Unless there is a statute providing otherwise, the time for bringing a civil action is two years after the injury occurs or, depending upon the type of injury, two years after the plaintiff discovered, or reasonably should have discovered, the injury.

The Legislature has recently extended the statute of limitations for civil cases involving sexual assault, and has authorized revival periods that allow a plaintiff to bring a case that would otherwise be barred by the statute of limitations. As a result, these bills opened floodgates to litigation. Victims have come forward to seek justice resulting in a number of settlements against public entities. For example, nearly 7,000 other plaintiffs allege that they were sexually abused as children in Los Angeles County's juvenile detention and foster care systems, in cases dating to the late 1950s. In a settlement the county publicly apologized and agreed to pay a record \$4 billion. Officials had warned before that Los Angeles County could be bankrupted by these cases.

## **Proposed Law:**

- Revives any claim seeking to recover damages suffered as a result of a sexual
  assault that occurred on or after the plaintiff's 18th birthday that would otherwise be
  barred because the applicable statute of limitations expired, and allows such an
  action be commenced until December 31, 2027.
- Revives claims against an entity brought by a plaintiff who alleges that they were sexually assaulted and:
  - One or more entities or persons, including, but not limited to, the perpetrator of the sexual assault, are legally responsible for damages arising out of sexual assault against the plaintiff; and,
  - An entity or entities, including, but not limited to, their officers, directors, representatives, employees, or agents, engaged in a cover up or attempted a cover up of a previous instance or allegations of sexual assault by an alleged perpetrator of such abuse.
  - Failure to allege a cover up as to one entity does not affect revival of the plaintiff's claim or claims against any other entity or person, including the perpetrator of the sexual assault.
- Revives claims against the perpetrator of the sexual assault brought by a plaintiff
  who alleges that they were sexually assaulted and that one or more entities or
  persons, including, but not limited to, the perpetrator of the sexual assault, are
  legally responsible for damages arising out of the sexual assault against the plaintiff.

<sup>&</sup>lt;sup>2</sup> Ibid.

- Revives any related claims, including, but not limited to, wrongful termination and sexual harassment, arising out of the sexual assault.
- "Entity" means a sole proprietorship, partnership, limited liability company, corporation, association, or other legal entity.
- "Legally responsible" means that the entity person, entity, or entities are liable under any theory of liability established by statute or common law, including, but not limited to, negligence, intentional torts, and vicarious liability.
- Does not revive:
  - A claim that has been compromised by a written settlement agreement between the parties entered into before January 1, 2026; or,
  - A claim brought against a public entity.

## **Related Legislation:**

- SB 577 (Laird) would implement a number of provisions to curb childhood sexual assault claims against public entities in response to growing alarm among public entities regarding the fiscal effects of revived sexual assault claims against public entities. SB 577 is pending in the Assembly Judiciary Committee.
- AB 2587 (Aguiar-Curry), of the 2023-24 Legislative Session, would have authorized a two-year revival period for otherwise time-barred civil claims of sexual assault brought against an entity. AB 2587 was held on this Committee's suspense file.
- AB 2693 (Wicks), of the 2023-24 Legislative Session, would have authorized a one-year revival period for otherwise time-barred civil claims of childhood sexual assault brought against county juvenile detention facilities. Governor Newsom vetoed AB 2693, writing:

I am concerned that again reviving the statute of limitations for these individuals, even for one year, will invite future legislation seeking to revive claims for other affected groups, both in the immediate future and in the years beyond. Statutes of limitations recognize that, as time passes, physical and documentary evidence may be lost and witnesses may die, no longer remember key facts, or otherwise no longer be available to testify, potentially prejudicing the ability of a party to present its case in court.

**Staff Comments:** While this bill expressly shields direct claims against public entities from revival, it does not expressly bar derivative liability or third-party claims involving public entities. As a result, public entities may still be drawn into litigation through third-

party claims for contractual indemnification or contribution, potentially resulting in significant costs to the state, local governments, and the courts.<sup>3</sup>

A defendant's indemnity or contribution action is legally separate and distinct from the plaintiff's original action. Under California law, such indemnity claims do not accrue at the time of the underlying incident, but rather when the right to indemnity arises—typically at the point of settlement or judgment in the underlying action.<sup>4</sup>

To illustrate, consider a hypothetical scenario in which a private company contracts with a public entity, such as a school district, and the contract contains a clause requiring the public entity to indemnify, defend, and hold harmless the company and its employees for claims arising out of the performance of the contract. An individual alleges they were sexually assaulted by a company employee in 1995, and further claims that the company, a public employee, and the public entity engaged in a cover-up. Under this bill, the plaintiff would be permitted to file a revived lawsuit by December 31, 2027 against the company and the private and public employees for sexual assault and related claims—even if those claims were previously time-barred. While this bill would prohibit the plaintiff from suing the public entity directly, a named defendant (e.g., the private company or employee) may still file a third-party indemnification claim against the public entity, arguing that the public entity is contractually obligated to defend or indemnify them.

Under California law, the defendant's right to seek indemnity is independent of the whether plaintiff's claims against the public entity are time-barred; rather, the defendant's action accrues at the time they are entitled to indemnification. The defendant is entitled to pursue an indemnity action so long as the statute of limitations on that action has not expired.

This procedural route may require public agencies to participate in litigation, incurring costs to defend, settle, or litigate indemnity disputes, and may require courts to adjudicate decades-old indemnity clauses and complex factual disputes related to alleged institutional knowledge or cover-ups. Even if indemnity or contribution claims ultimately fail, public entities and courts will bear the burden of increased legal defense costs to resolve third party matters.

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<sup>&</sup>lt;sup>3</sup> Under California's Government Claims Act, generally public entities are not liable for common law or equitable indemnity or contribution theories, absent a specific statutory authorization or an express contract of indemnity. (Gov. Code, § 814.)

<sup>&</sup>lt;sup>4</sup> See People ex rel. Dept. of Transportation v. Superior Court (1980) 26 Cal.3d 744. 751.