

SENATE THIRD READING

STR Bill Id:SB 477 Author:(Blakespear)

As Amended Ver:March 26, 2025

Majority vote

SUMMARY

Modifies the timelines for the Civil Rights Department (CRD or Department) to issue right-to-sue notices and tolls the statute of limitations for the Department to bring a civil action related to violations of the Fair Employment and Housing Act (FEHA).

Major Provisions

- 1) Expands the circumstances under which a complainant's time to file a civil action alleging a FEHA employment violation or related violation is tolled after the complainant filed a complaint with the CRD to include one year after the CRD issues to the complainant either written notice that it has closed its investigation without election to file a civil action for the alleged violation, or, if the complainant timely appeals to the CRD the closure of their complaint, written notice that the complaint has remained closed following the appeal.
- 2) Expands the circumstances under which the CRD's time to bring a civil action against an employer alleged to have committed a CRD employment violation is tolled, in cases where there is a failure to eliminate the unlawful practice through conference, conciliation, mediation, or persuasion, to include the following periods:
 - a) The period of time specified in a written agreement between the CRD and a respondent that was executed before the expiration of the applicable deadline.
 - b) The period of time for which the CRD's investigation is extended due to the pendency of a petition to compel.
 - c) During a timely appeal within the CRD of the closure of the complaint by the CRD.
- 3) Requires the CRD, if the CRD determines that a complaint filed with the CRD relates in whole or in part to a complaint filed in the name of the director of the CRD or a group or class complaint for purposes of investigation, conciliation, mediation, or civil action, the CRD shall issue a right-to-sue notice upon request by the person claiming to be aggrieved or, if the person claiming to be aggrieved does not request a right-to-sue notice, after the director's complaint or group or class complaint has been fully and finally disposed of and all administrative proceedings, civil actions, appeals, or proceedings have terminated.
- 4) Expands the time during which the CRD's time to issue a right-to-sue letter to a complainant is tolled, to include the following periods:
 - a) The period of time specified in a written agreement between the CRD and the respondent that was executed before the expiration of the applicable deadline.
 - b) The period of time for which the CRD's investigation is extended due to the pendency of a petition to compel.
 - c) During a timely appeal within the CRD of the closure of the complaint by the CRD.

- 5) Eliminates the requirement that the CRD bring a civil action for the failure to eliminate a housing discrimination violation in any county in the state in which the unlawful practice is alleged to have been committed, in the county in which the records relevant to that practice are maintained or administered, or in the county in which the aggrieved person would have resided in the housing accommodation, or if the defendant is not found in that county, in the county of the defendant's residence or principal office.

COMMENTS

Generally, the procedure for filing a FEHA claim is as follows. First, the aggrieved party files an intake form with the Department and alleges specific facts, submits relevant records and documentation, and information of any witnesses. At this point, the aggrieved person can request an immediate right-to-sue letter. Otherwise, the Department reviews the information submitted and determines whether or not to file a complaint against the person or entity alleged to have violated FEHA. Once the Department decides to file a complaint, they complete an investigation and proceed to mediate the dispute. The complainant can obtain a right-to-sue letter at various times throughout the complaint and investigation process. Each step in this process is bound by a specific timeline, which may be tolled under specified circumstances. (For more detailed information, see Civil Rights Department, State of California *Complaint Process* available at: <https://calcivilrights.ca.gov/complaintprocess/>.) In addition to bringing claims on behalf of individual workers, the Department can also bring claims on behalf of groups of similarly situated persons.

In order to bring a claim alleging a violation of an employment provision of FEHA, a party *must* first file with the Department. However, the same is not true for violations of FEHA's housing provisions and a person seeking to bring a civil claim for those violations may file directly in court.

Last year the Legislature considered and approved SB 1022. That bill sought to establish a seven-year statute of limitations for CRD to bring cases involving groups or classes of potential aggrieved parties. While the Legislature ultimately passed SB 1022, Governor Newsom vetoed the measure. Responding to the Governor's veto message *this bill* omits the extension of the statute of limitations considered by SB 1022, and instead focuses on tolling the statute of limitations pending completion of various stages of the Department's internal complaint process, as well as a clarifying amendment. First, the bill clarifies that a "group or class complaint" includes a complaint alleging a pattern or practice. The bill establishes that this is declaratory of existing law.

Second, existing law provides that a complainant's statute of limitations to file their own civil action in court is tolled while the Department investigates their complaint until either the Department opts to bring a claim themselves or, in the event the Department opts not to pursue the claim, for one year after CRD issues written notice to the complainant that they have closed the investigation. This bill expands the circumstances under which a complainant's statute of limitations is tolled to include tolling for one year if the complainant appeals the Department's closure of their complaint and the complainant receives notice that the department has kept the matter closed following the appeal.

Third, existing law requires the Department to bring a claim within one or two years, depending on the violation alleged and whether it is a complaint on behalf of a group or class. Existing law

tolls these timelines pending completion of mandatory or voluntary dispute resolution proceedings. This bill would additionally toll this timeline in the following three scenarios:

- 1) For a time specified in a written agreement between the CRD and the respondent, so long as the agreement is executed before the relevant deadline passes;
- 2) For the time during which CRD's investigation is extended pending a petition to compel;
- 3) During a timely appeal within the department of the closure of the complaint by the department.

Additionally, if the Department opts not to pursue a civil action, FEHA requires them to issue the complainant a right-to-sue notice either upon request, within 150 days after filing the request, or, if not requested, no later than one year after filing the complaint. In cases treated as a group or class complaint, CRD has up to two years to issue the notice.

In cases where the Department has determined that the complaint relates in whole or in part to a complaint filed by the Department, this bill allows the Department to wait to issue the right-to-sue notice until after the claim has been fully adjudicated, including conclusion of any civil actions, appeals, or related proceedings, before issuing the complainant a right-to-sue letter if the complainant does not request one. The bill would also extend the tolling periods for issuing the right-to-sue in the same three scenarios identified above for tolling the statute of limitations for the filing of a civil claim.

Finally, in claims alleging an unlawful housing practice, the bill repeals the requirement that the Department bring a civil action in any county where the violation is alleged to have occurred, in the county in which relevant records are maintained and administered, or in the county in which the aggrieved person would have lived.

According to the Author

Despite changes in the priorities of federal leadership, our state remains steadfast in protecting the rights and dignity of all Californians. SB 477 equips the California Civil Rights Department (CRD) with improved tools designed to defend against discrimination, harassment, and other civil rights violations in employment and housing under the Fair Housing and Employment Act. Tasked with investigating thousands of complaints of civil rights violations each year, CRD is the institutional centerpiece responsible for investigating, mediating, settling, and prosecuting these complaints to ensure Californians are rightfully protected from abuse.

Specifically, SB 477 will toll deadlines to complete investigations and file civil lawsuits when agreed to by all parties involved, when a petition to compel is pending, or during an appeal. It will also ensure housing discrimination cases can be brought in any county where CRD has an office.

Arguments in Support

None on file

Arguments in Opposition

None on file

FISCAL COMMENTS

According to the Assembly Appropriations Committee, no significant state costs. CRD anticipates cost savings of an unknown amount due increased efficiency in group and class cases, reducing its litigation costs. Courts may experience minor cost savings to the extent this bill makes it easier to consolidate multiple discrimination complaints into group actions, reducing the total number of related cases before the courts.

VOTES**SENATE FLOOR: 28-10-2**

YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

NO: Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

ABS, ABST OR NV: Limón, Reyes

ASM JUDICIARY: 9-2-1

YES: Kalra, Bauer-Kahan, Bryan, Connolly, Harabedian, Pacheco, Papan, Stefani, Zbur

NO: Dixon, Sanchez

ABS, ABST OR NV: Macedo

ASM APPROPRIATIONS: 10-4-1

YES: Wicks, Arambula, Calderon, Nguyen, Elhawary, Aguiar-Curry, Hart, Pacheco, Pellerin, Solache

NO: Sanchez, Dixon, Ta, Tangipa

ABS, ABST OR NV: Mark González

UPDATED

VERSION: March 26, 2025

CONSULTANT: Manuela Boucher / JUD. / (916) 319-2334

FN: 0001067