

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 590 (Durazo) – As Amended April 3, 2025

Policy Committee: Insurance

Vote: 14 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill expands Paid Family Leave (PFL) benefits, beginning July 1, 2027, to a person who takes time off work to care for a seriously ill “designated person,” defined as any individual related by blood or whose association with the claimant is the equivalent of a family relationship.

FISCAL EFFECT:

One-time costs of approximately \$2 million and ongoing annual costs of approximately \$200,000 to the Employment Development Department (EDD), primarily to update documents and automated information technology systems used in administration of PFL benefits (Unemployment Compensation Disability Fund (UCDF)).

Assuming a 2.7% increase in PFL care-related claims filed effective July 1, 2027, EDD estimates this bill will result in additional benefits paid of approximately \$2.5 million in 2027, \$5.2 million in 2028, \$5.4 million in 2029, and \$5.5 million in 2030, when compared to current benefit projections. Since the worker-funded UCDF continuously appropriates such payments, this bill makes an appropriation.

COMMENTS:

1) **Purpose.** According to the author:

No one should have to choose between putting food on the table and caring for a seriously ill loved one and especially not those workers who have been contributing each month into the [PFL] Insurance program. Yet, that is exactly what is happening in California when a worker’s loved one is not on the list of family members they can care for under that law. SB 590 updates California’s [PFL] law so that Californians can care for their extended or chosen family. In doing so, California will join Colorado, Connecticut, Oregon, Maine, Minnesota, New Jersey and Washington in recognizing the importance of these relationships.

This bill is co-sponsored by the California Employment Lawyers Association, California Work and Family Coalition, Equality California, Equal Rights Advocates, and Legal Aid at Work, and supported by a large coalition of economic and social justice groups.

- 2) **Background. PFL Program.** PFL was enacted in 2002 as an expansion of the State Disability Insurance (SDI) program, extending disability compensation to individuals who take time off work to care for a seriously ill child, spouse, parent, or domestic partner, or to bond with a new minor child. PFL also covers individuals taking time off work to assist a military family member called to active duty. The SDI program (which includes the PFL program) is financed solely by worker contributions through an employee payroll deduction. The amount withheld from a worker's paycheck, up to 1.5%, is determined annually by EDD. Beginning January 1, 2025, PFL provides up to eight weeks of 70% to 90% of wage replacement.

Designated Person. AB 1041, Chapter 748, Statutes of 2022, expanded California Family Rights Act (CFRA) job protections and paid sick leave to an employee caring for a "designated person," defined as any individual related by blood or whose association with the employee is the equivalent of a family relationship. The employee may identify the designated person at the time leave is requested and the employer may limit an employee to one designated person per 12-month period for family care and medical leave or paid sick days. PFL, which provides wage replacement only during leave, is a benefit separate from federal Family and Medical Leave Act and CFRA job protections and paid sick leave. This bill expands PFL benefits to a "designated person."

- 3) **Prior Legislation.** AB 518 (Wicks), of the 2023-24 Legislative Session, was substantially similar to this bill. AB 518 was subsequently amended to address an unrelated issue.

AB 524 (Wicks), of the 2023-24 Legislative Session, would have expanded the list of protected characteristics under the Fair Employment and Housing Act to prohibit employment discrimination due to "family caregiver status," which included being a person who provides direct care to a designated person. AB 524 was vetoed by Governor Newsom.

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