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# SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair  
2025 - 2026 Regular Session

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**SB 951 (Reyes) - Employment: technological displacement: notice**

**Version:** April 22, 2026

**Policy Vote:** L., P.E. & R. 3 - 1, P., D.T., &  
C.P. 7 - 2

**Urgency:** No

**Mandate:** No

**Hearing Date:** May 14, 2026

**Consultant:** Robert Ingenito

**Bill Summary:** SB 951 would establish the California Worker Technological Displacement (WARN) Act, as specified.

**\*\*\*\*\* ANALYSIS ADDENDUM – SUSPENSE FILE \*\*\*\*\***

**The following information is revised to reflect amendments  
adopted by the committee on May 14, 2026**

**Fiscal Impact:**

- The Employment Development Department (EDD) indicates that it would incur one-time General Fund costs of \$1.8 million, and \$400,000 (minimally) annually thereafter, to implement the provisions of the bill. Additionally, the department notes that the required information technology changes could make the bill's effective date of January 1, 2027 operationally infeasible.
- The Department of Industrial Relations (DIR) is still reviewing the bill but expects that costs will exceed \$300,000 annually for staff (enforcement deputies, support, and supervisory staff) to enforce (1) the technological displacement (WARN like) notice and (2) other requirements.
- This bill could result in increased penalty revenue to the State. The magnitude is unknown.

**Author Amendments:** Among other changes:

- Align timelines for notice with existing California WARN Act. Notice would be triggered only when 25 or more workers are displaced, removing the "25% of the workforce" metric that currently captures small businesses.
- Modify the definitions of "technological displacement" and "technological cessation in hiring," as specified.
- Exclude Local Education Agencies that already provide layoff notices pursuant to existing education code.
- Limit the disclosure of AI tools used in automation.

**-- END --**