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November 10, 2017

California Law Mandates Parental Leave for Small Businesses With 20+ Employees

Governor Jerry Brown signed [S.B. 63](#) last month, which makes CFRA applicable to businesses with 20+ employees. Under the bill, the California Government Code will be amended as of January 1, 2018 to permit eligible employees to take up to 12 workweeks of unpaid protected leave (job protection) during any 12-month period to care for a newborn, adopted or foster child, or to care for oneself or one's parent or spouse with a serious health condition. Eligible employees are entitled to continue receiving group health plan coverage during the leave period.

Eligible employees are those who have completed more than 12 months of service with an employer of 20+ employees, and who have worked at least 1,250 hours for that employer during the previous 12-month period.

An employer may recover premiums paid to maintain an employee's group health plan coverage during the leave period if the employee fails to return *and* the failure to return is not due to the onset or continuation of a serious health condition beyond the control of the employee.

The new law means that employees of small business employers, who are eligible for CFRA benefits, will be assured of returning to their same or a substantially similar position after taking CFRA leave. Employers with 20 or more employees should review their family leave and benefits policies and plans, and modify them as needed for compliance. Coordinating and administering leave under a multitude of potentially applicable laws and regulations can be challenging in California especially for young companies or employers just entering the California market. Consulting with experienced legal counsel is the best way to help achieve compliance objectives.

This update was authored by the Perkins Coie California Employment Law team.

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Authors

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