AB 1750 (MCCARTY): ELECTED OFFICIALS: SEXUAL HARASSMENT SETTLEMENT AGREEMENTS: LIABILITY

POSITION: The Chamber's Education & Workforce Roundtable voted to SUPPORT this bill on February 6, 2018. The Chamber's Public Policy Committee voted to SUPPORT this bill on February 13, 2018.

STATUS: The bill was introduced on January 3, 2018 by Assembly Members McCarty, Baker, Cristina Garcia, Gloria, Gonzalez Fletcher, Kalra, Limón, Quirk-Silva, Reyes, and Waldron. It is awaiting committee assignment.

SUMMARY

AB 1750 requires elected officials to reimburse a public entity that pays any compromise or settlement of a claim or action involving conduct that constitutes sexual harassment, if there is clear evidence of wrongdoing.

INDUSTRIES IMPACTED

With the understanding that businesses and taxpayers fund the California Legislature's ongoing, previously unreported settlements or claims involved sexual harassment, every tax-paying industry is reasonably effected.

SUPPORTERS
None reported.

OPPONENTS
None reported.

ARGUMENTS IN FAVOR

California has paid out more than $25 million in the last three fiscal years to settle sexual harassment-related cases, most of it taxpayer money. This bill would force perpetrators to pay for their own misconduct in the workplace, and remove the taxpayer funds from being used.

ARGUMENTS IN OPPOSITION

The government should pay for workplace settlements and fees.

MORE INFORMATION

According to current state law, a public entity is required to defend an employee in a civil case over actions taken within the scope of his or her employment. But the public entity also may refuse to provide for the individual's defense if the actions were not within the scope of the job, or he or she acted – or failed to act – because of fraud, corruption or actual malice.

In sexual harassment cases, the agency being sued faces its own scrutiny over what it knew, when it knew it, and what it did about it.

The legislation is currently in its intent form and specific details will emerge as the language evolves.