April 19, 2013

The Honorable John Perez
Speaker, California State Assembly
State Capitol, Room 219
Sacramento, CA 95864

RE: AB 1373 (Speaker Perez) – Workers’ Compensation: Death Benefits

OPPOSE

Dear Speaker Perez:

The California Coalition on Workers’ Compensation (CCWC) is an association of California’s public and private sector employers that advocates for a balanced workers’ compensation system that provides injured workers with fair benefits, while keeping costs low for employers. Our members include not only businesses of every size, but also cities, counties and other public entities.

CCWC must respectfully OPPOSE your AB 1373, which would make changes to the statute of limitations for death benefits related to certain types of injury presumption cases filed by firefighters and public safety officers.

CCWC is concerned that the changes made in AB 1373 would increase workers’ compensation costs for cities, counties, and other public sector entities that are currently facing severe budget shortfalls. The bill currently has a blank space where important details should be outlined. This makes the impact difficult to evaluate.

This bill is very similar to AB 2451 (Speaker Perez, 2012), which was vetoed by Governor Brown. CCWC has seen little in the way of empirical evidence to address the veto message from 2012:

“Unfortunately, little more than anecdotal evidence is available to base such deliberations upon. If deaths due to cancer for firefighters and peace officers approximate, let alone exceed, those of the general population, we can surmise the potential impact of doubling the statute of limitations. It could increase costs to the state by tens of millions of dollars and at the local level by hundreds of millions. Alternatively, there is little credible evidence that the circumstance this measure intends to address occurs other than rarely, yet tragically. In the latter circumstance the costs would be modest and reasonable.”

Before we head back down the path of expanding death benefits, CCWC would encourage a thorough evaluation of the justification for this legislation, as well as the fiscal impact.

For the reasons outlined above, CCWC must respectfully OPPOSE AB 1373.

Sincerely,

Jason Schmeter
Legislative Advocate

cc. Office of Speaker John Perez
Members, Assembly Insurance Committee