April 26, 2012

The Honorable Jose Solorio
Chair, Assembly Insurance Committee
State Capitol, Room 3146
Sacramento, CA 95814

RE: AB 2451 (Speaker Perez) – Workers’ Compensation: Death Benefits

OPPOSE

Dear Assemblyman Solorio:

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 AB 2451 (Speaker Perez), 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 2451 would increase workers’ compensation costs for cities, counties, and other public sector entities that are currently facing severe budget shortfalls. While the stated intent of AB 2451 is to ensure that injured workers’ with a compensable claim under one of the specifically listed presumption statutes are eligible for death benefits, CCWC has concerns that the ultimate impact of the bill would be broader than anticipated.

Specifically, we are concerned that the new LC Section 5406 (b) could be interpreted to mean that a claim for death benefits could be commenced within one year of the death of a peace officer or firefighter even if they had not previously filed a claim within the statute of limitations that applies to the listed presumptions.

For example, under AB 2451 we are concerned that the dependents of any peace officer or firefighter that dies from cancer or a heart-related condition could file a claim for death benefits within one year of that death – even in cases where the peace officer or firefighter had never filed a claim for benefits prior to their death, or where a claim for benefits would have been precluded under other statutes of limitation.

Additionally, LC Section 3502, which sets forth the rules for determining dependency, is tied to the date of injury. This means that family members, who were a dependent at the time of injury but not at a potentially much later time of death, could technically be eligible to receive death benefits. This runs counter to the idea that death benefits are to family members who are actually dependent on the injured worker at the time of death.

For the reasons outlined above, CCWC must respectfully OPPOSE AB 2451.

Sincerely,

Jason Schmelzer
Legislative Advocate

cc. Office of Speaker John Perez
Members, Assembly Insurance Committee
David Lanier, Office of Governor Jerry Brown