



March 20, 2026

The Honorable Lisa Calderon
Assembly Insurance Committee
1021 O Street, Room 4650
Sacramento, CA 95814

Re: **AB 1683 (Committee on Insurance) – *Workers' compensation: prepaid cards.***
SUPPORT

Dear Chair Calderon and Members of the Committee:

The American Property Casualty Insurance Association¹ (APCIA) and the undersigned organizations are pleased to support AB 1683. In 2018, Senate Bill 880 established Labor Code Section 4651, authorizing an employe, with the employee's written consent, to deposit disability indemnity payments into a prepaid card account that meets specified requirements, including providing reasonable access to in-network ATMs.

This reform addressed challenges faced by injured workers who previously could only receive temporary disability payments by paper check or direct deposit, an issue that disproportionately affected "unbanked" households. Without a bank account, direct deposit is not an option, and cashing a paper check often requires paying significant fees. The prepaid card framework was intended to provide these workers with a more accessible, low-cost method of receiving benefits, consistent with existing practices for unemployment insurance payments.

AB 1683 simply extends the current authorization allowing employers to deposit workers' compensation disability indemnity payments into prepaid card accounts by eliminating the January 1, 2027, sunset date. The bill preserves all existing safeguards, including

¹ Representing nearly 60 percent of the U.S. property casualty insurance market, APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA represents the broadest cross-section of home, auto, and business insurers of any national trade association. APCIA members represent all sizes, structures, and regions, which protect families, communities, and businesses in the U.S. and across the globe.

employee consent and compliance with prepaid card account standards. By making this option permanent, AB 1683 modernizes benefit delivery and ensures continued access to convenient, secure payment options for injured workers.

For these reasons, we strongly support AB 1683.

Sincerely,

A handwritten signature in blue ink, appearing to read "Laura Curtis".

Laura Curtis
Vice President, APCA

on behalf of:

American Property Casualty Insurance Association
California Association of Joint Powers Authorities
California Chamber of Commerce
California Coalition on Workers' Compensation
Public Risk Innovation, Solutions, and Management

CC: Members and Consultants, Assembly Insurance Committee