

CAPITOL UPDATE

June 23, 2026

Capitol Update: CCWC Opposes SB 555 Ahead of Assembly Insurance Committee Hearing

As amended, SB 555 would increase permanent disability benefits by approximately 51%, resulting in an estimated \$1.8 billion increase in annual workers' compensation costs for California employers. While CCWC supports fair and adequate benefits for injured workers, we believe meaningful benefit increases should be pursued through a balanced reform package that also addresses the rising costs and system inefficiencies affecting California's workers' compensation system.

California employers have repeatedly expressed their willingness to negotiate comprehensive reforms that improve benefits while addressing cost drivers. However, SB 555 proposes a significant increase in benefits without corresponding reforms to help maintain the long-term stability and affordability of the system.

The bill also comes at a time when workers' compensation premiums are already increasing. The Insurance Commissioner approved an 8.7% advisory pure premium rate increase in 2025, and the Workers' Compensation Insurance Rating Bureau has recommended an additional 10.4% increase for 2026. The Insurance Commissioner has also identified several factors driving these increases, including higher medical treatment costs, escalating claims adjustment expenses, and a growing number of cumulative trauma claims.

CCWC is proud to stand alongside a broad coalition of employer organizations advocating for a balanced approach that supports injured workers while protecting the long-term sustainability of California's workers' compensation system.

Take Action

As SB 555 moves through the legislative process, member engagement is critical. Here's what you can do today:

We encourage CCWC members to contact Assembly Insurance Committee members and urge them to **oppose SB 555 unless it is amended** to include comprehensive reforms that address the system's rising costs. Together, we can advocate for balanced workers' compensation policies that support injured workers while preserving an affordable and sustainable system for California employers.

Sign on as a member of the coalition opposing this legislation by contacting CCWC Executive Director Jason Schmelzer at Jason@ccwcworkcomp.org.



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