

CAPITOL UPDATE

June 24, 2026

\$1.8 Billion Permanent Disability Increase Defeated

The California Coalition on Workers' Compensation (CCWC), in partnership with a large coalition of California employers and insurers, has successfully defeated **SB 555 (Caballero)**. The bill was scheduled for a hearing today in the Assembly Insurance Committee. However, the bill has been withdrawn by the author due to a lack of votes.

As previously noted, CCWC is not opposed to a benefit increase for injured workers. The last permanent disability benefit increase occurred in 2014, and benefits have been devalued by inflation since that time. CCWC believes that balanced reform negotiated between labor and management is the best and most logical path forward for a benefit increase. The workers' compensation system was created by a "grand bargain", and continued collaboration between labor and management is required to keep the system stable and predictable for both workers and their employers.

CCWC stands ready to work with the legislature on comprehensive, balanced reform. Earlier this month, CCWC announced its participation in **Californians for Fair Workers' Compensation**, a coalition focused on strengthening the state's workers' compensation system. Through the coalition's efforts, the statewide campaign, [Fix CA Workers' Comp Now](#), was launched, urging lawmakers to enact commonsense reforms that protect the system and its benefits for workers who are injured on the job and bring rising costs under control.

Stay connected with [CCWC](#) and Californians for Fair Workers' Compensation via social media for the latest information. [Or sign up for alerts here.](#)



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