April 19, 2019

The Honorable Tom Daly
Chair, Assembly Insurance Committee
State Capitol, Room
Sacramento, CA 95814

RE: AB 346 (Cooper) – Special Workers’ Compensation Benefits for Peace Officers

OPPOSE

The coalition of undersigned organization – California Association of Joint Powers Authorities (CAJPA), the California Coalition on Workers’ Compensation (CCWC), and CSAC Excess Insurance Authority must respectfully OPPOSE AB 346, which adds “police officers employed by a school district, county office of education, or community college district” to the list of police officers eligible for full salary continuation benefits under LC 4850.

Under California law, injured employees are generally provided a wage replacement benefit in the form of temporary disability indemnity benefits in the amount of two-thirds (2/3) of their average weekly wage. There is a maximum benefit level set annually by the state, and the temporary disability indemnity benefits are not subject to state or federal taxation. Some but not all statutorily-identified categories of police officers are provided with full wage replacement in lieu of temporary disability under Labor Code Section 4650. This benefit, which pays police officers their full salary for one full year, is also not subject to state and federal taxation.

Our coalition opposes this expansion salary continuation benefits as proposed by AB 346 because no objective evidence has been offered to demonstrate that this enhanced benefit is necessary and there has been no evaluation of the cost to our members. Local agencies typically fund workers’ compensation costs out of their general fund, and every dollar spent on special enhanced benefits must come from somewhere. Funding for the special benefits proposed by AB 346 will come out of education budgets, and our coalition would respectfully urge the legislature to fully examine both the justification and cost related to the proposal. For these reasons, we respectfully OPPOSE AB 346.

Sincerely,

Jason Schmelzer
California Coalition on Workers’ Compensation

Faith Borges
California Association of Joint Powers Authorities

Jen Hamelin
Director of Workers’ Compensation
CSAC Excess Insurance Authority

Elizabeth Esquivel
Senior Director of Policy and Governance
California Association of School Business Officials