



September 5, 2022

The Honorable Gavin Newsom
Governor, State of California
1021 N Street, Suite 9000
Sacramento, CA 95814

Subject: SB 284 (Stern) – Workers' Compensation PTSD Presumption
REQUEST FOR VETO

Dear Governor Newsom,

The undersigned organizations write to respectfully request that you **VETO SB 284 (Stern)**, which vastly expands California's current workers' compensation presumption for Post-Traumatic Stress Injury that was implemented for police officers and firefighters via SB 542 (Stern, 2019). SB 284 proposes to expand this presumption to cover all the following classifications:

- State-employed firefighters at the State Department of State Hospitals, the State Department of Developmental Services, the Military Department, and the Department of Veterans Affairs.
- State-employed peace officers under Section 830.3, including, for example, investigators at the Dental Board of California, Division of Labor Standards Enforcement, Department of Toxic Substances Control, the Department of Managed Health Care, and the Department of Business Oversight.
- State-employed peace officers under Section 830.38 at the State Department of State Hospitals and the State Department of Developmental Services.
- State-employed peace officers under Section 830.4, including select members of the California National Guard, security officers at the Department of Justice, and security officers at Hastings College of Law.
- All public safety dispatchers, telecommunicators, and emergency response communication employees, including supervisors.

Our members recognize that police officers and firefighters serve our state with distinction in some of the most difficult circumstances imaginable. Our members include some of the largest employers of public safety officers in the state, and we have a healthy respect and admiration for people who choose every day to serve their communities. Fundamentally, we do not believe the SB 284 is necessary to provide California employees with fair access to the workers' compensation system for psychiatric injuries. Our coalition doesn't reject the idea that firefighters, police officers, dispatchers, and other public safety professionals don't suffer psychiatric injuries related to their work that warrant access to the workers' compensation system. We do, however, reject the unproven assertion that the current system is broken and that a presumption is needed for workers to fairly access benefits.

No Evidence Supporting Need for a PTSI Presumption

In 2019, when SB 542 was adopted by the legislature there was no data or analysis objectively suggesting that California's employer-funded system of no-fault workers' compensation – a system required to be “liberally construed” by judges when a dispute arises – was denying care for police officers or firefighters seeking treatment for PTSD. For this reason, employers opposed the creation of the presumption.

The Commission on Health and Safety and Workers' Compensation (CHSWC), at the request of Assemblymember Tom Daly in his capacity as Chair of the Assembly Insurance Committee conducted an analysis of the need for SB 542. CHSWC members expressed serious concerns about the adequacy of the analysis (see 12/9/2021 CHSCW meeting minutes). The report failed to demonstrate that the existing workers' compensation system inappropriately denies care for first responders and that, because of those denials, a presumption is warranted. The report did, however, manage to identify a sharp increase in costs related to the imposition of the presumption that ranged from the tens to the hundreds of millions of dollars.

Need and Cost of the SB 284 Expansion Completely Unexamined

SB 284 proposes to take a presumption of questionable merit and expand it to cover thousands of additional state and local employees, a move that will undoubtedly increase costs for the state general fund and local budgets. Much like the initial presumption, proponents have brought forward no evidence to demonstrate a problem or need for the vast expansion in scope and applicability. While proponents failed to demonstrate a need for this bill, one thing we know from the CHSWC analysis is that the presumption will result in higher costs for employers, much of that new cost falling on the general fund.

SB 1127 Would Impose Massive Penalties on These Claims

We would urge you to consider this legislation in the context of SB 1127 (Atkins), which is also on your desk for consideration. That bill changes the rules for the administration of claims covered by presumptions like the one proposed by SB 284. That bill would give employers less time to comply with timelines set by the state to collect necessary medical records, schedule, and receive medical reports which are necessary for the approval of claims or the denial of inappropriate claims. SB 1127 also imposes penalties on employers of up to \$50,000 per presumption claim that is “inappropriately delayed or denied”, which is not defined in the bill and will promote litigation as each presumption claims becomes fodder for increased settlements and attorney awards. SB 1127 would, if signed, increase the burden on the state and local employers and make the presumption imposed by SB 284 more untenable.

SB 284 Deserves Your Veto

Unions advancing *expensive publicly funded special benefits* like those in SB 284 should be expected to justify their proposals with more than charged accusations. California's workers' compensation system is vigorously studied and plenty of data is available for policy makers to objectively evaluate how the system is operating. Enacting SB 284 without justification serves only to drain needed resources from cash-strapped public agencies already struggling to meet their obligations to the public. For these reasons we respectfully request that you **VETO SB 284** when it comes before you.

Sincerely,



California Coalition on
Workers' Compensation



Johnnie Pina
League of California Cities



Public Risk Innovation, Solutions
And Management



Aaron Avery
California Special Districts Association



California Association of Joint
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Jeremy Merz
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