March 20, 2019

The Honorable Ben Hueso
California State Senate
State Capitol, Room 4035
Sacramento, CA 95814

As Introduced February 20, 2019 – OPPOSE
To be heard in the Senate Labor, Public Employment and Retirement Committee

Dear Senator Hueso,

The coalition of organizations – California State Association of Counties, League of California Cities, California Coalition on Workers’ Compensation, Rural County Representatives of California, Urban Counties Caucus, CSAC Excess Insurance Authority, and California Association of Joint Powers Authorities must respectfully oppose your Senate Bill 416. This bill would significantly expand eligibility for special workers’ compensation benefits that are limited in current law only to certain categories of peace officers.

Presumptions for Public Safety Officers
California law states that injuries are covered by workers’ compensation if the injury is suffered while in the “course and scope of employment,” meaning that injuries are covered if the worker is at work engaged in any work-related activity. Injured workers have the burden of demonstrating that their injury meets this test, which they generally do by providing the details of their injury at the time a claim is filed. If there is a dispute over the facts of an injury, a decision is rendered by an administrative law judge at the Worker’s Compensation Appeals Board. That judge is already required by Labor Code §3202 to “liberally construe” California law “with the purpose of extending their benefits for the protection of person injured in the course of their employment”. This provision essentially requires judges to “err on the side of caution” when evaluating disputed workers’ compensation claims.

For some injuries suffered by some workers, California extends even more substantial legal protections. In addition to the “liberal construction” protections conferred by Labor Code §3202, California offers some peace officers and firefighters a legal presumption that some injuries – such as cancer, heart trouble, pneumonia, and hernias – are work related. The result is that the burden of proof is shifted to the employer to prove that the injury did not occur at work. This, of course, has to be done through a court system that is legally bound to liberally construe the laws of the state “with the purpose of extending benefits”. This combination of laws creates a legal environment in which it is virtually impossible for state and local agencies to disprove questionable claims for these types of injuries. While our organizations have not been supportive of the establishment or expansion of presumption laws in California, the presumptions currently apply only to the types of peace officers subject to stresses and strains most likely to actually result in those injuries.

SB 416 Expands Eligibility for Presumptions
SB 416 would vastly increase the number of employees that are eligible for several presumptions – including hernias, heart trouble, lower-back impairments, meningitis, tuberculosis, cancer, leukemia, and pneumonia. This massive expansion of presumptions will result in employees who face no more risk factors than other workers nevertheless having access to the same presumptions enjoyed by active police officers and firefighters. This in turn will result in new costs for cities, counties, special districts, universities, the state, and many of the state’s various departments, agencies, boards, and commissions.
Need For and Cost of SB 416
SB 416 would increase the number of state and municipal peace officers that are statutorily entitled to an automatic legal presumption, rarely if ever successfully challenged by employers, that certain injuries like hernia, pneumonia, cancer and heart troubles are caused by work. We are aware of no objective analysis that substantiates a need for this expansion of applicability for presumptions. Additionally, we have not seen an analysis of the potential cost associated with the changes that would result with the passage of this bill.

Adds New Costs for Employers
We believe that SB 416 would add substantial new costs for public sector employers in the state of California. The workers’ compensation system is designed to provide care for workers who are injured as a result of their employment and is already designed to fulfill that fundamental principal. Unfortunately, workers’ compensation costs for all employers continue to rise even following the 2012 reforms, even without the expansion contemplated in SB 416.

For these reasons, our organizations are respectfully opposed to SB 416. Should you have any questions, please do not hesitate to contact us.

Geoff Neill
California State Association of Counties

Dane Hutchings
League of California Cities

Faith Lane Borges
California Association of Joint Powers Authorities

Jason Schmelzer
California Coalition on Workers’ Compensation

Jean Hurst
Urban Counties of California

Paul Smith
Rural County Representatives of California

Michael Pott
CSAC Excess Insurance Authority

Jason Merz
American Property Casualty Insurance Association