

April 7, 2022

Assemblymember Chris Holden Chair, Assembly Appropriations Committee 1021 O Street, Suite 8220 Sacramento, CA 95814

Subject: AB 1751 (Daly) - COVID-19 Workers' Compensation Presumption Oppose Unless Amended

Dear Assemblymember Holden,

The undersigned organizations write to respectfully Oppose AB 1751, which would extend the sunset date on the existing workers' compensation presumption for COVID-19 by two years to January 1, 2025. *However, our coalition would remove our opposition if AB 1751 were amended to extend the presumption for only one year to January 1, 2024.* We understand that the legislature may want to extend this policy for a year to allow the situation around COVID-19 to become more clear, but we see no reason at this time to extend the policy for two years.

California, early in the pandemic, chose to implement a COVID-19 presumption to ensure that employees would have access to the workers' compensation system in the event of an infection. Employers opposed the imposition of a presumption because, we argued, COVID-19 was a community spread virus, and there was no reason to believe that the employment posed a heightened risk or that a presumption was needed. However, employers worked in good faith with the legislature to develop a <u>temporary</u> policy that would help meet the needs of our employees in the face of a new and unpredictable virus.

According to an <u>ongoing analysis</u> from the California Workers' Compensation Institute, California employers have received over 250,000 workers' compensation claims for COVID-19 since the start of the pandemic. Health care providers and taxpayer-funded public agencies have been especially hard hit, accounting for over 50% of all claims and over 60% of the accepted claims. And the data suggests that employers have accepted most of these claims and provided benefits.

Our coalition believes that the COVID-19 presumption should be allowed to sunset as agreed upon in SB 1159. California is no longer sheltering in place and the workplace does not represent a unique risk in most situations. California has implemented an Emergency Temporary Standard for COVID-19 and for most Californians their place of employment is the safest environment in which they spend time. There are also multiple free vaccines available for Californians who want to protect themselves from the most severe consequence of COVID-19.

We understand, however, that policymakers are unsure of the direction that COVID-19 will take in coming months and may reasonably want to continue the presumption for one additional year. While we are all hopeful that falling case counts, increasing vaccination rates, expanding natural immunity, improved treatment options, and mindful precautions will bring us out of the pandemic, it is hard to say what might happen in coming months. So, while we do not believe that the presumption needs to be extended, we're willing accept an additional year as a precaution. After that point, for the reasons mentioned above and more, we'd respectfully urge the legislature to allow this presumption to sunset.

Sincerely,

Acclamation Insurance Management Services (AIMS) Allied Managed Care (AMC) American Property Casualty Insurance Association Association of California Healthcare Districts Association of Claims Professionals (ACP) Breckpoint California Association of Joint Powers Authorities (CAJPA) California Association of Winegrape Growers California Beer and Beverage Distributors California Business Properties Association California Chamber of Commerce California Coalition on Workers' Compensation California Farm Bureau California Grocers Association California Hospital Association California League of Food Producers California New Car Dealers Association California Restaurant Association

California Special Districts Association California State Association of Counties Coalition of Small and Disabled Veteran Businesses Community Colleges Joint Powers Authority (PIPS) Flasher Barricade Association (FBA) Independent Insurance Agents and Brokers, California League of California Cities National Federation of Independent Business Public Risk Innovation, Solutions, and Management (PRISM) The Protected Insurance Programs for Schools & Urban Counties of California Wine Institute