



August 19, 2024

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

RE: VETO REQUEST: SB 1058 (Ashby) – Expansion of Special Workers' Compensation Benefits for Peace Officers

Dear Governor Newsom,

The undersigned organizations respectfully request that you **VETO SB 1058 (Ashby)**, which would vastly expand the application of a current law that provides tax-free full salary continuation benefit to select public safety officers in lieu of standard benefits when they are hurt at work. SB 1058 would expand the application of salary continuation, established in Labor Code Section 4850, to park rangers and housing authority patrol officers working for counties across the state. There has been no evidence of a specific need for this expanded benefit that would warrant diverting county resources, especially considering tightening state and local budgets.

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 for inflation by the state (currently \$1619.15 per week), 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 4850. This benefit, which pays police officers their full salary for one full year, is also not subject to state and federal taxation. When an officer receives this benefit, their net pay is higher than it would be if they returned to work.

Our coalition opposes this expansion of salary continuation benefits as proposed by SB 1058 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 1058 will come out of local government budgets, and our coalition would respectfully urge the legislature to fully examine both the justification and cost related to the proposal.

Prior legislation that similarly expanded application of this benefit has been met with caution. Specifically, AB 346 (Cooper, 2019) expanded the application of salary

continuation benefits to officers at local school districts and county offices of education. That bill was vetoed in part because it "would significantly expand 4850 benefits that can be negotiated locally through the collective bargaining process. Many local school districts face financial stress, and the addition of a well-intentioned but costly benefit should be left to local entities that are struggling to balance their priorities." We believe the same logic applies here.

For these reasons, we respectfully **OPPOSE SB 1058 (Ashby)** and respectfully request that you VETO the bill. If you have any questions, please feel free to contact me at jason@syaslpnpartners.com.

Sincerely,

California Association of Joint Powers Authorities
California Coalition on Worker's Compensation
League of California Cities
Public Risk Innovation, Solution, and Management
Rural County Representatives of California