

2014 WORKERS' COMPENSATION LEGISLATIVE UPDATE

Following is the summary of bills that the California Legislature is currently reviewing.

AB 1035 (PÉREZ-D)—WORKERS' COMPENSATION: FIREFIGHTERS AND PEACE OFFICERS. – STATUTE OF LIMITATIONS FOR DEATH BENEFITS

Summary: This bill would, only until January 1, 2019, extend the time period to commence proceedings to collect death benefits, if the proceedings are brought by, or on behalf of, a person who was a dependent on the date of death, from 240 weeks from the date of injury to no later than 420 weeks from the date of injury, not to exceed one year after the date of death. This provision would apply only to a specified injury causing death, including cancer, tuberculosis, or a blood-borne infectious disease or methicillin-resistant *Staphylococcus aureus* skin infections, and would apply only to specified deceased members, including peace officers and active firefighting members. The bill would also prohibit the payment of death benefits pursuant to proceedings commenced more than 240 weeks from the date of injury unless either no proceedings were commenced within 240 weeks from the date of injury, or, if proceedings were commenced within that period, it has been finally determined that no person is entitled to dependency death benefits pursuant to the proceedings that were commenced during that period.

Status: This Bill was initially introduced on February 22, 2013 as local government financial bill. It was amended on March 27, 2014 as a Worker' Compensation bill, and was amended again on April 22, 2014. It passed the Senate Appropriations Committee on April 21, 2014, and will proceed to consideration by the full Senate. Before it goes to the Governor for signature or veto, it will have to return to the Assembly for concurrence in the Senate amendments. It must go to the Governor no later than August 31, 2014 to be enacted this year.

Impact: This bill has the potential to impose additional costs on public agencies.

AB 2052 (GONZALEZ-D)—WORKERS' COMPENSATION – PEACE OFFICER PRESUMPTIONS

Summary: Existing law designates illnesses and conditions that constitute a compensable injury for various employees, such as California Highway Patrol members, firefighters, and certain peace officers. These injuries include, but are not limited to, hernia, pneumonia, heart trouble, cancer, meningitis, and exposure to biochemical substances, when the illness or condition develops or manifests itself during a period when the officer or employee is in service of his or her employer, as specified.

This bill would expand the coverage of the above provisions relating to compensable injury, to include all peace officers described under specified provisions of law. To the extent that the bill would apply the provisions to additional local peace officers, the bill would impose a state-mandated local program

Status: AB 2052 was approved by the Insurance Committee on April 2, 2014. It will be heard in the Appropriations Committee on April 30, 2014. To proceed to consideration by the full Assembly, it must be approved by the Appropriations Committee no later than May 23, 2014.

Impact: This bill would have minimal impact as most peace officers are usually covered based on the bargaining agreements or memorandum of coverages.

AB 2604 (BROWN – D)—PENALTIES

Summary: This bill would amend Labor Code Section 5814 to require that when payment of compensation has been unreasonably delayed or refused, either prior to or subsequent to the issuance of an award, the amount of the unreasonably delayed or refused payment be increased up to 25% or up to \$10,000, whichever is more, in using its discretion to accomplish a fair balance and substantial justice between the parties. Existing law allows for the judge to award penalties for unreasonable delay up to 25% or up \$10,000, whichever is more.

Status: AB 2604 was referred to the Insurance Committee, but a hearing on the bill was cancelled at the request of the author. To remain a viable, this legislation must be heard by and reported out of the Insurance Committee no later than May 2, 2014.

Impact: This bill would have a financial impact on employers.

SB 1234 (BLOCK D)—PEACE OFFICER WORKERS' COMPENSATION BENEFITS

Summary: This bill would amend Labor Code Section 4850 in that it would extend this leave of absence entitlement (4850 benefits) to certain peace officers who are not already described in these provisions, including, but not limited to, the Attorney General and special agents and investigators of the Department of Justice, certain park rangers designated by a local agency, and members of a California Community College police force.

Status: Placed in the Appropriations Committee suspense file as of April 7, 2014. To proceed to a vote in the full Senate, this bill must be approved by the Appropriations Committee no later than May 23, 2014.

Impact: No identified impact at this time.

If you have any additional questions regarding the legislation summarized in this *Briefing*, please contact your Keenan Account Representative.

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