



California Applicants' Attorneys Association

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 **Voters Injured at Work.org**

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SB 1717 Passes Senate

Injured workers' advocates call for bill's significant boost in compensation for permanent disabilities;

Reject Administration's "Insignificant" 16% proposal

Sacramento, CA - Injured workers and their advocates today hailed State Senate passage of SB 1717 (Perata, D – Oakland), and called upon the governor to support the measure, which seeks to restore compensation to permanently disabled workers. The injured workers' advocates said the governor's own administrative proposal to restore a small percentage of the permanent disability compensation he cut by 50% to 70% is a wholly inadequate alternative. The advocates have released figures showing that California is well below neighboring states, and comparable US states, in compensating permanently disabled workers. U.S. Chamber of Commerce data shows that weekly benefits for permanently disabled workers in California are the 4th lowest in the nation. The business organization's data show, for example, that a California worker who loses an ear at work would receive just \$5,280 while the same injury in Arizona would be compensated with \$26,400, in Oregon \$100,310 and in Washington \$12,685. "California workers permanently disabled on the job receive compensation that is among the lowest the nation," said Sue Borg, president of the California Applicants' Attorneys Association (CAAA), whose members represent hundreds of thousands of workers injured on the job each year. "Injured workers have suffered 50 to 70 percent cuts to benefits that were never intended by the legislature. To give some injured workers a meager 16% increase while decreasing compensation to older workers is nearly meaningless." The measure passed on a vote of 23 to 15.

SB 1717 is similar to last year's SB 815, which the governor vetoed, promising instead a correction via the regulatory process. In his veto message SB 815, the Governor stated that the administration was monitoring the impact of the new laws

on injured workers, and he promised that "if seriously injured workers were falling through the cracks" his administration would take necessary steps to "ensure that injured workers unfairly impacted by workers' comp reform receive appropriate medical treatment and indemnity benefits."

In view of the fact that multiple studies – including one by the administration's Division of Workers Compensation – show that the impact of the 2005 Permanent Disability Rating Schedule was to cut permanent disability benefits by more than half, the minimal increase in the administration's proposal is grossly inadequate. The advocates released figures showing that even with the governor's proposed increase, California would remain well below neighboring states, and comparable US states, in compensating permanently disabled workers. In fact, even if the proposed changes were adopted, permanent disability benefits for the average disabled worker would still be down more than 65 percent.

The governor's proposal to restore a small percentage of the permanent disability compensation he cut by 50% to 70% is wholly inadequate in view of the Administration's own studies. "The administration's proposal does not fix the harm done to injured workers. California workers permanently disabled on the job would still receive compensation that is among the lowest in the nation under the governor's proposal. This schedule has eliminated the age adjustment for workers between the ages of 41 to 51, further reducing their 'average rating.' The proposal does not come close to making up the reductions that the administration's own studies found," said Sue Borg, president of the California Applicants' Attorneys Association (CAAA), whose members represent hundreds of thousands of workers injured on the job each year. "Injured workers have suffered 50 to 70 percent cuts to benefits that were never intended by the legislature. Even the administration's own studies showed a decrease in the average rating of up to 41%."

SB 1717 contains modest increases phased in over a three-year period. It will help only those people injured on or after the effective date of the new schedule.

"Enough people have been harmed," said Jesse Cenicerros, president of VotersInjuredatWork.org, an advocacy group of and for injured workers. "It's past time to do the right and fair thing to remedy this horribly inequitable situation for permanently disabled workers who rely on these benefits for their survival and that of their dependents."

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