



April 29, 2020

The Honorable Governor Newsom
1303 10th Street, Suite 1173
Sacramento, CA 95814

Dear Governor Newsom,

On behalf of the 780 members of the North San Diego Business Chamber and the nearly 197,000 employees in San Diego that they represent, I write today in strong opposition to a proposed Executive Order that would greatly expand the ability of workers to file workers' compensation claims in the State of California that may or may not be related to COVID-19.

We recognize the catastrophic impact this pandemic has had on the health of our state, as well as the economic futures of many Californians, and we applaud you and your Administration for being as proactive as possible in helping our state navigate these uncharted waters. However, as we begin to turn our collective eye to reopening our economy in a responsible, safe manner, we must recognize that now is not the time to place additional burdens on employers who are struggling to remain afloat and keep workers paid during the crisis.

A proposed Executive Order that would create a conclusive presumption – i.e., no ability to dispute that an injury was work-related – for anyone deemed “essential” would allow millions of workers across California to get workers' compensation funds from employers whether or not they contracted COVID-19 at work. Furthermore, extending the definition of a COVID-19 related injury to “exposure” would create payments from businesses for individuals that may not even be affected by the virus.

The Workers' Compensation Insurance Rating Board has estimated the cost of such a conclusive presumption to be in the tens of billions of dollars. This is an unsustainable shock to a system not designed for such a blow. It will bankrupt insurance providers and pass the costs onto small employers already struggling to maintain their payrolls and liquidity.

We urge you to reconsider such an order for all Californians and instead limit this action to “front-line” workers such as police, fire, and medical workers while allowing other workers – deemed essential or otherwise – to take advantage of the existing workers' compensation system.

Respectfully,

Debra Rosen
President & CEO