

DEPARTMENT OF INDUSTRIAL RELATIONS  
**COMMISSION ON HEALTH AND SAFETY AND  
 WORKERS' COMPENSATION**  
 1515 Clay Street, Suite 1540  
 Oakland, CA 94612  
 Telephone: (510) 622-3959  
 Email: [CHSWC@dir.ca.gov](mailto:CHSWC@dir.ca.gov)  
 Website: [www.dir.ca.gov/chswc](http://www.dir.ca.gov/chswc)



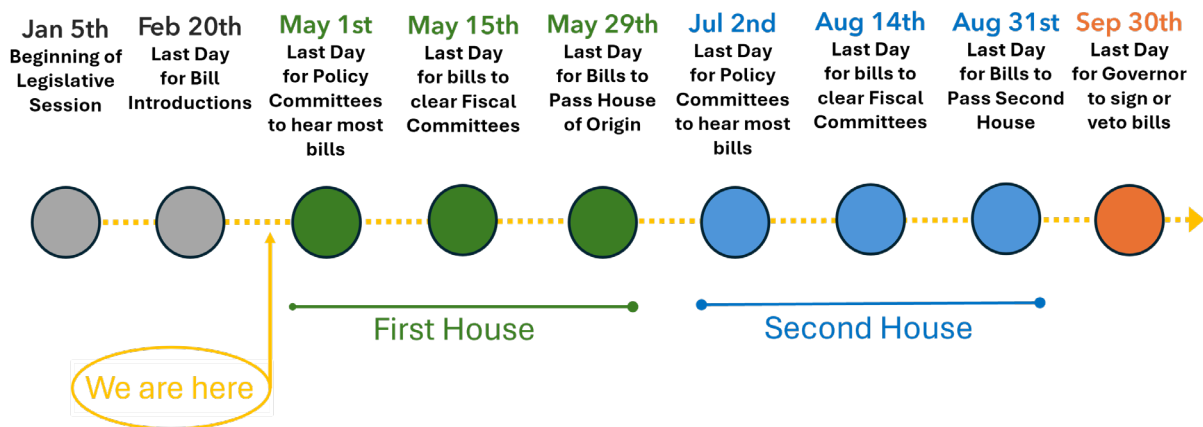
DATE: March 31, 2026

TO: CHSWC Commissioners  
 Nicholas Roxborough, Chair  
 Jen Hamelin  
 Shelley Kessler  
 Kristi Montoya  
 Chris Pedroza  
 Mitch Steiger  
 Meagan Subers  
 Sidharth Voorakkara

FROM: Melissa Flores, Executive Officer, CHSWC

SUBJECT: Legislative Update

The abbreviated legislative calendar below provides a reference to this point in time in the 2026 legislative cycle.



We are closely tracking several bills with special interest to the Commission, although there are no pending bills with the Commission on Health and Safety and Workers' Compensation (CHSWC) directly named.

- **Budget Trailer Bills** – There are two proposals that we are monitoring:
  - Subsequent Injuries Payments – The Administration proposed key changes to the SIBTF Program to clearly define terms of eligibility, align SIBTF with workers' compensation processes and controls, establish clear timelines for qualification, and provide technical clarity for SIBTF operations. The Governor's January budget proposal released on January 16, 2026 requested allocations of \$12.7 million for 57 positions in FY

2026/27, increasing year-over-year to \$36.5 million and 177 positions for FY 2030/31 for staffing increases to address the backlog of claims.

- The Assembly Subcommittee No. 5 on State Administration held a hearing on March 10, 2026 and decided to hold open this proposal. See attached Committee agenda on page 12.
- Labor Code 5909 (2024) - The removal of the sunset date. Existing law permits an aggrieved party to seek reconsideration of a workers' compensation decision by petitioning the appeals board, and such a petition is deemed denied if not acted upon within 60 days of filing. The 60-day period begins upon transmission of the case to the appeals board by the trial judge. This section remains in effect only until July 1, 2026 unless removed as proposed.
  - No legislative action to date.
- **AB 1683 (Ortega)** - Removes the sunset date and makes the Prepaid Card option indefinitely permanent. The proposed legislation aligns with CHSWC's recommendations included in the *Report on Employer Use of Prepaid Card Account Programs for Workers' Compensation Disability Indemnity Payments in California: California Senate Bill 880 (2018) and California Labor Code §4651* approved at the February 18, 2026 CHSWC Public Meeting.
- **AB 1576 (Ortega)** – Changes the calculation of disability ratings for SIBTF claims and related benefits to the updated DFEC adjustment factor to 1.4 already being used for other claims, adds new medical evidentiary requirements, and changes the named trustee of the SIBTF from State Fund to DIR.
- **AB 2488 (Shiavo)** - Requires DIR, upon appropriation by the Legislature, to contract with the University of California, Berkeley Labor Occupational Health Program (LOHP) and the University of California, Los Angeles Labor Occupational Safety and Health (LOSH) Program to conduct a study to evaluate the understaffing and vacancies within the DOSH (Cal/OSHA) division and make recommendations to the department, the Department of Human Resources, and the Legislature on policies the state shall use to inform the consideration and establishment of career pathways to the Compliance Safety and Health Officer classification.

CHSWC staff, in consultation with DIR's Office of Legislative and Regulatory Affairs (OLRA), have prepared a broader list of pending bills of special and general interest to the Commission that are related to occupational health and safety and workers' compensation. The attached list provides individual bill details including summary and current status.

**WC and H&S Bills  
March 6, 2026**

**[AB 1048](#) (Chen R) Workers' compensation.**

**Current Text:** Amended: 1/22/2026 [html](#) [pdf](#)

**Introduced:** 2/20/2025

**Status:** 1/22/2026-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on RLS.

**Is Urgency:** N

**Is Fiscal:** Y

**Location:** 9/8/2025-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law establishes a workers' compensation system, administered by the Administrative Director of the Division of Workers' Compensation, to compensate an employee for injuries sustained in the course of employment. Existing law requires an employer to provide medical, surgical, chiropractic, acupuncture, and hospital treatment that is reasonably required to cure or relieve the injured worker from the effects of the injury. Upon payment, adjustment, or denial of a complete or incomplete itemization of medical services, existing law requires an employer to provide an explanation of review that includes, among other information, the amount paid and the basis for any adjustment, change, or denial of the item or procedure billed. This bill would, when the basis for any adjustment, change, or denial of an item or procedure is a contract, require the explanation of review to include information on that underlying contract, including whom the rendering medical provider may contact to seek a copy of the underlying contract. The bill would state that disclosure of a medical provider network does not satisfy this requirement and would state that if the contract is not sent to the rendering provider or their agent within 30 business days of the provider's request, the bill shall be reprocessed and paid, as specified. This bill contains other related provisions and other existing laws.

**[AB 1576](#) (Ortega D) Workers' compensation: Subsequent injuries payments.**

**Current Text:** Introduced: 1/12/2026 [html](#) [pdf](#)

**Introduced:** 1/12/2026

**Status:** 2/2/2026-Referred to Com. on INS.

**Is Urgency:** N

**Is Fiscal:** Y

**Location:** 2/2/2026-A. INS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law establishes a workers' compensation system, administered by the Administrative Director of the Division of Workers' Compensation, to compensate an employee for injuries sustained in the course of employment. Existing law provides certain methods for determining workers' compensation benefits payable to a worker or the worker's dependents for purposes of permanent total disability or permanent partial disability that include a determination of the percentage of permanent disability incurred. Existing law requires that, for injuries incurred before January 1, 2013, in determining the percentages of permanent disability, account be taken of the nature of the physical injury or disfigurement, the occupation of the injured employee, and the injured employee's age at the time of the injury, and requires that specified factors be considered in determining an employee's diminished earning capacity for these purposes. For purposes of these provisions, "nature of the physical injury or disfigurement" incorporates the descriptions and measurements of physical impairment and the corresponding percentages of impairments published in the American Medical Association (AMA) Guides to the Evaluation of Permanent Impairment (5th Edition). For injuries occurring on or after January 1, 2013, in determining the percentages of permanent disability, existing law requires the same factors be taken into account but removes from consideration the employee's diminished future earning capacity and, instead, incorporates an adjustment factor of 1.4, as specified. Existing law also establishes the Subsequent Injuries Benefits Trust Fund, a continuously appropriated fund. Under existing law, if a permanently, partially disabled employee receives a subsequent compensable injury resulting in additional permanent disability, then that employee receives compensation from the Subsequent Injuries Benefits Trust Fund. Existing law requires, when applicable, the additional permanent disability resulting from the subsequent injury to be equal to 35% or more of total, when considered alone and without regard to, or adjustment for, the occupation or the age of the employee. For purposes of determining permanent disability resulting from a subsequent injury, this bill would measure permanent disability, for injuries occurring on or after January 1, 2005, and prior to January 1, 2013, by the whole person impairment rating as determined in accordance with the AMA Guides to the Evaluation of Permanent Impairment (5th Edition), after adjustment for diminished future earning capacity and without regard to, or adjustment for, the occupation or age of the employee. For injuries occurring on or after January 1, 2013, the bill would

measure permanent disability in the same manner as an injury occurring on or after January 1, 2005, and prior to January 1, 2013, except that an adjustment for diminished future earning capacity is replaced by the 1.4 adjustment factor. The bill would state that these provisions are declarative of existing law. To the extent the bill changes the eligibility requirements for and calculation for payments made from the Subsequent Injuries Benefits Trust Fund, the bill would make an appropriation. This bill contains other related provisions and other existing laws.

**[AB 1683](#) (Committee on Insurance) Workers' compensation: prepaid cards.**

**Current Text:** Introduced: 2/2/2026 [html](#) [pdf](#)

**Introduced:** 2/2/2026

**Status:** 2/17/2026-Referred to Com. on INS.

**Is Urgency:** N

**Is Fiscal:** Y

**Location:** 2/17/2026-A. INS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law establishes a workers' compensation system, administered by the Administrative Director of the Division of Workers' Compensation, to compensate an employee for injuries sustained in the course of employment, which, in the case of the death of an employee, includes a death benefit. Existing law governs temporary and permanent disability indemnity payments and prohibits a payment made by a written instrument unless it is immediately negotiable and payable in cash, among other things. Existing law, until January 1, 2027, allows an employer to commence a program under which disability indemnity payments are deposited in a prepaid card account for employees. This bill would extend the authorization to deposit indemnity payments in a prepaid card account indefinitely.

**[AB 2137](#) (Chen R) Occupational safety and health.**

**Current Text:** Introduced: 2/18/2026 [html](#) [pdf](#)

**Introduced:** 2/18/2026

**Status:** 2/19/2026-From printer. May be heard in committee March 21.

**Is Urgency:** N

**Is Fiscal:** N

**Location:** 2/18/2026-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law, the California Occupational Safety and Health Act of 1973, requires employers to comply with certain safety and health standards, as specified, and charges the Division of Occupational Safety and Health with enforcement of the act. Existing law defines terms for purposes of the act. This bill would make nonsubstantive changes to those definitions.

**[AB 2321](#) (Ortega D) Bureau of Investigations.**

**Current Text:** Introduced: 2/19/2026 [html](#) [pdf](#)

**Introduced:** 2/19/2026

**Status:** 2/20/2026-From printer. May be heard in committee March 22.

**Is Urgency:** N

**Is Fiscal:** N

**Location:** 2/19/2026-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law makes the Bureau of Investigations within the Division of Occupational Safety and Health responsible for directing accident investigations involving violations of laws, standards, and orders in which there is a serious injury, death, or request for prosecution by a division representative, reviewing inspection reports involving a serious violation if there have been serious injuries or a serious exposure, and preparing cases for the purpose of prosecution, as specified. Existing law requires the bureau to refer the results of investigations it is required to conduct to the appropriate prosecuting authority having jurisdiction for appropriate action unless it determines that there is legally insufficient evidence of a violation of the law. This bill would make nonsubstantive changes in the provisions described above relating to the responsibilities of the Bureau of Investigations.

**[AB 2488](#) (Schiavo D) Department of Industrial Relations: occupational safety and health.**

**Current Text:** Introduced: 2/20/2026 [html](#) [pdf](#)

**Introduced:** 2/20/2026

**Status:** 2/21/2026-From printer. May be heard in committee March 23.

**Is Urgency:** N

**Is Fiscal:** Y

**Location:** 2/20/2026-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law establishes the Division of Occupational Safety and Health in the Department of Industrial Relations, and charges the division with the enforcement of various laws affecting safe working conditions, including the California Occupational Safety and Health Act of 1973. Existing law requires the Director of Industrial Relations to prepare and submit to the Legislature an annual report on the activities of the division, as specified. Existing law establishes the University of California, under the administration of the Regents of the University of California, as one of the segments of postsecondary education in the state. Existing law requires the department to contract with the University of California, Los Angeles Labor Center, to conduct a study evaluating opportunities to improve worker safety and safeguard employment rights, as specified. This bill would require the department, upon appropriation by the Legislature, to contract with the University of California, Berkeley Labor Occupational Health Program and the University of California, Los Angeles Labor Occupational Safety and Health Program to conduct a study to evaluate the understaffing and vacancies within the division and make recommendations to the department, the Department of Human Resources, and the Legislature on policies the state shall use to inform the consideration and establishment of career pathways to the Compliance Safety and Health Officer classification. The bill would authorize the University of California, as defined, to subcontract the responsibility for conducting the study to other specified entities. The bill would require the department to cooperate and collaborate with the University of California and its subcontractors, if any, in the conduct of the study. The bill would require the University of California and its subcontractors, if any, as part of the study, to hold at least one well-publicized and conveniently located meeting to provide an opportunity for comment by stakeholders and the public on the issues addressed in the study. The bill would require the University of California and its subcontractors, if any, to issue a report that includes certain information about the understaffing and vacancies of Compliance Safety and Health Officers within the division. The bill would require the report to be completed in 18 months, posted on the division's internet website, and forwarded to the Governor and the chairs of specified legislative committees. The bill would define terms for these purposes.

**AB 2499** **(Gipson D) Corrections: prison conditions.**

**Current Text:** Introduced: 2/20/2026 [html](#) [pdf](#)

**Introduced:** 2/20/2026

**Status:** 2/21/2026-From printer. May be heard in committee March 23.

**Is Urgency:** N

**Is Fiscal:** Y

**Location:** 2/20/2026-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Under existing law, the California Occupational Safety and Health Act of 1973, the Division of Occupational Safety and Health investigates complaints that a workplace is not safe and may issue orders necessary to ensure employee safety. Under existing law, certain violations of those provisions or a standard, order, or special order authorized by those provisions are a crime. Existing law establishes the Department of Corrections and Rehabilitation and sets forth its powers and duties regarding the administration of correctional facilities and the care and custody of inmates. Existing law establishes the Office of Emergency Services within the office of the Governor. Existing law requires the Office of Emergency Services to be responsible for the state's emergency and disaster response services for natural, technological, or manmade disasters and emergencies. This bill would require the division, by July 1, 2027, to submit a rulemaking proposal for the Occupational Safety and Health Standards Board's review and adoption, specifically applicable to workers in any prison or institution under the jurisdiction of the Department of Corrections and Rehabilitation, as specified. This bill would require the department to comply with these provisions and any order, rule, or regulation adopted by the Occupational Safety and Health Standards Board pursuant to them. Because this bill would expand the definition of an existing crime, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**SB 442** **(Smallwood-Cuevas D) Grocery retail store and retail drug establishment employees: self-service checkout.**

**Current Text:** Amended: 4/21/2025 [html](#) [pdf](#)

**Introduced:** 2/18/2025

**Status:** 8/28/2025-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 7/9/2025)(May be acted upon Jan 2026)

**Is Urgency:** N

**Is Fiscal:** Y

**Location:** 8/28/2025-A. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law imposes certain requirements on grocery employers, as defined, upon the purchase or change in control of a grocery establishment, including requiring a successor grocery employer to retain eligible grocery workers for a specified period after transfer of the grocery establishment. This bill would prohibit a grocery retail store or a retail drug establishment, as those terms are defined, from providing a self-service checkout option for customers unless specified conditions are satisfied, including having at least one manual checkout station staffed by an employee who is available to any given customer at the time that a self-service checkout option is made available to that customer. This bill would require a grocery retail store or retail drug establishment that offers self-service checkout to include self-service checkout in the employer's illness and prevention program, as required by regulations of the Division of Occupational Safety and Health. The bill also would require a grocery retail store or retail drug establishment that intends to implement self-checkout to notify workers and their collective bargaining representatives at least 60 days in advance of the implementation, as specified. The bill would not preempt any city, county, or city and county ordinance that provides equal or greater protection to workers. This bill contains other related provisions.

**[SB 555](#) (Caballero D) Workers' compensation: average annual earnings.**

**Current Text:** Amended: 1/22/2026 [html](#) [pdf](#)

**Introduced:** 2/20/2025

**Status:** 1/27/2026-Read third time. Passed. (Ayes 30. Noes 10.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

**Is Urgency:** N

**Is Fiscal:** Y

**Location:** 1/27/2026-A. DESK

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law establishes a workers' compensation system, administered by the Administrative Director of the Division of Workers' Compensation, to compensate an employee for injuries sustained in the course of employment. Existing law provides for temporary disability, permanent total disability, or permanent partial disability benefits, among other benefits, for an injured employee and requires the computation of an injured employee's average annual earnings and average weekly earnings for purposes of determining those disability benefits. Existing law requires, for computing average annual earnings for purposes of permanent partial disability indemnity, that average weekly earnings be taken at various amounts, including between \$240 and \$435 for injuries occurring on or after January 1, 2014, except as specified. This bill would require, for computing average annual earnings for purposes of permanent partial disability indemnity, that average weekly earnings be taken at between \$\_\_\_\_\_ and \$\_\_\_\_\_ for injuries occurring on or after January 1, 2027.

**[SB 632](#) (Arreguín D) Workers' compensation: hospital employees.**

**Current Text:** Amended: 4/10/2025 [html](#) [pdf](#)

**Introduced:** 2/20/2025

**Status:** 7/17/2025-Failed Deadline pursuant to Rule 61(a)(10). (Last location was INS. on 6/16/2025) (May be acted upon Jan 2026)

**Is Urgency:** N

**Is Fiscal:** Y

**Location:** 7/17/2025-A. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law establishes a workers' compensation system, administered by the Administrative Director of the Division of Workers' Compensation, to compensate an employee for injuries sustained in the course of employment. Existing law creates a rebuttable presumption that specified injuries sustained in the course of employment of a specified member of law enforcement or a specified first responder arose out of and in the course of employment. Prior existing law, until January 1, 2024, created a rebuttable presumption of injury for various employees, including an employee who works at a health facility, as defined, that included an illness or death resulting from COVID-19, if specified circumstances applied. This bill would define "injury," for a hospital employee who provides direct patient care in an acute care hospital, to include infectious diseases, cancer, musculoskeletal injuries, post-traumatic stress disorder, and respiratory diseases. The bill would include the 2019 novel coronavirus disease (COVID-19) from SARS-CoV-2 and its variants, among other conditions, in the definitions of infectious and respiratory diseases. The bill would create rebuttable presumptions that these injuries that develop or manifest in a hospital employee who provides direct patient care in an acute care hospital arose out of and in the course of the employment. The bill would extend these presumptions for specified time periods after the hospital employee's termination of employment.

**[SB 995](#) (Pérez D) Involuntary residential facilities: health and safety inspections.**

**Current Text:** Introduced: 2/5/2026 [html](#) [pdf](#)

**Introduced:** 2/5/2026

**Status:** 2/18/2026-Referred to Coms. on HEALTH and JUD.

**Is Urgency:** N

**Is Fiscal:** Y

**Location:** 2/18/2026-S. HEALTH

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law requires the operator of a private detention facility, as defined, to comply with, and adhere to, the detention standards of care and confinement agreed upon in the facility's contract for operations, as specified. Existing law requires a private detention facility operator to comply with, and adhere to, all local and state public health orders and occupational safety and health regulations. This bill, the Involuntary Residential Facilities Health and Safety Act of 2026, would authorize the Office of the State Fire Marshal, the State Department of Public Health, the State Water Resources Control Board, and the Department of Industrial Relations, including the Division of Occupational Safety and Health ("inspecting agencies"), to conduct periodic inspections of an involuntary residential facility, defined as a facility that houses more than 50 individuals overnight, restricts residents' ability to enter or leave, as specified, and provides specified onsite services, in order to evaluate compliance with applicable health, safety, building, environmental, and labor standards, as specified. The bill would authorize unnoticed inspections under specified conditions. The bill would authorize an inspection to include specified areas of the facility, including heating, ventilation, air, water, and electrical systems, and any physical space necessary to evaluate compliance with the standards described above. The bill would prohibit an inspecting agency from accessing residents for interviews, resident records, or areas used exclusively for security operations. The bill would require an inspecting agency, within 30 days of completing an inspection, to submit a report to the Assembly and Senate Committees on Health. This bill contains other related provisions.

**[SB 1004](#) (Wiener D) Law enforcement: masks.**

**Current Text:** Introduced: 2/9/2026 [html](#) [pdf](#)

**Introduced:** 2/9/2026

**Status:** 2/18/2026-Referred to Com. on PUB. S.

**Is Urgency:** Y

**Is Fiscal:** Y

**Location:** 2/18/2026-S. PUB. S.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law makes it a crime for a law enforcement officer to wear a facial covering in the performance of their duties, except as specified. Existing law defines law enforcement officer for these purposes as anyone designated by California law as a peace officer who is employed by a city, county, or other local agency, and any officer or agent of a federal law enforcement agency, agency or law enforcement agency of another state, or any person acting on behalf of a federal law enforcement agency. This bill would add peace officers employed by a state agency to the definition of law enforcement officers, thereby making those law enforcement officers subject to those criminal penalties. By expanding the scope of a crime, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**[SB 1046](#) (Blakespear D) Occupational safety.**

**Current Text:** Introduced: 2/11/2026 [html](#) [pdf](#)

**Introduced:** 2/11/2026

**Status:** 2/18/2026-Referred to Com. on RLS.

**Is Urgency:** N

**Is Fiscal:** N

**Location:** 2/11/2026-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law, the California Occupational Safety and Health Act of 1973, exists for the purpose of assuring safe and healthful working conditions for all California workers by authorizing the enforcement of effective standards, assisting and encouraging employers to maintain safe and healthful working conditions, and providing for research, information, education, training, and enforcement in the field of occupational safety and health. Existing law establishes the Occupational Safety and Health Standards Board within the Department of Industrial Relations for the adoption of occupational safety and health standards and establishes the Division of Occupational Safety and Health in that department for the enforcement of those occupational safety and health standards, as prescribed. This bill would state the intent of the Legislature to enact legislation to direct the Occupational Safety and Health Standards Board to develop standards or guidelines for the exposure of workers to contaminated transboundary flows.

**[SB 1207](#) (Laird D) Amusement rides.**

**Current Text:** Introduced: 2/19/2026 [html](#) [pdf](#)

**Introduced:** 2/19/2026

**Status:** 3/4/2026-Referred to Com. on RLS.

**Is Urgency:** N

**Is Fiscal:** N

**Location:** 2/19/2026-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** The Amusement Rides Safety Law requires the Division of Occupational Safety and Health to promulgate and formulate rules and regulations for adoption by the Occupational Safety and Health Standards Board for the safe installation, repair, maintenance, use, operation, and inspection of all amusement rides as the division finds necessary for the protection of the general public using amusement rides. The law requires an operator, as defined, to, before a new amusement ride is erected or whenever any additions or alterations are made that change the structure, mechanism, classification, or capacity of an amusement ride, file with the division or a public entity a notice of the operator's intention and any plans or diagrams requested by the division. This bill would make nonsubstantive changes to the provision requiring an operator to file specified information.

**Total Measures: 14**

**Total Tracking Forms: 14**

# California State Assembly



## Agenda

### Assembly Budget Subcommittee No. 5 on State Administration

Assemblymember Sharon Quirk-Silva, Chair

Tuesday, March 10, 2026

1:30 P.M. – State Capitol, Room 447

Items To Be Heard		Page
<b>0559 / 7320</b>	<b>Labor and Workforce Development Agency / Public Employee Relations Board</b>	<b>3</b>
Issue	1. Unfair Labor Practices (AB 288)	3
<b>7100</b>	<b>Employment Development Department</b>	<b>5</b>
Issues	2. EDDNext Modernization	5
	3. Paid Family Leave (SB590 Implementation)	8
	4. Displaced Oil & Gas Worker Fund	10
<b>7350</b>	<b>Department of Industrial Relations</b>	<b>12</b>
Issues	5. Subsequent Injury Benefit Trust Fund Reform	12
	6. Subsequent Injury Benefit Trust Fund Workload	20
	7. California Worker Outreach Program (CWOP) – Status	21

Public Comment will be taken in person after the completion of all panels and any discussion from the Members of the Subcommittee.

**Non-Presentation Items:** Staff have suggested the following items do not receive a formal presentation from the Administration in order to focus time on the most substantial proposals. Members of the Subcommittee may ask questions or make comments on these proposals at the time designated by the Chair of the Subcommittee or request presentation by the Administration at the discretion of the Chair of the Subcommittee. Members of the public are encouraged to provide public comment on these items at the designated time.

<b>Non-Presentation Items</b>		
<b>0559</b>	<b>Labor and Workforce Development Agency</b>	<b>24</b>
Issue	1. Jobs First Administrative Resources Reappropriation	24
<b>7120</b>	<b>California Workforce Development Board</b>	<b>24</b>
Issue	2. Additional Operation Resources	24
<b>7300</b>	<b>Agricultural Labor Relations Board</b>	<b>25</b>
Issue	3. Operations Resources for Information Technology and Human Resources.	25
<b>7320</b>	<b>California Public Employment Relations Board</b>	<b>25</b>
	4. Transportation Network Company Drivers Labor Relations Act (AB 1340)	<b>25</b>
	5. Attorney Classification Realignment and OE&E Cost Increases	<b>25</b>
<b>7350</b>	<b>Department of Industrial Relations</b>	<b>26</b>
Issues	6. Firefighter Protection Equipment (AB 1181)	<b>26</b>
	7. Foreign Labor Contractors Registration (AB 1362)	<b>26</b>
	8. Contracts in Restraint of Trade (AB 692)	<b>27</b>
	9. Apprentice Training Grant Augmentation	<b>27</b>
	10. Construction Trucking Employer Amnesty Program (SB 809)	<b>27</b>
	11. Payment of Wages (AB 642)	<b>27</b>
	12. Pre-Apprenticeship Support	<b>27</b>
	13. Public Works Information Technology System Enhancements	<b>28</b>
	14. The Workplace Know Your Rights Act (SB 294)	<b>28</b>
	15. Software Licensing and Support	<b>29</b>
	16. Silicosis Training Attestation and Case Report Intake (SB 20)	<b>30</b>
	17. Support for Occupational Safety and Health Workload	<b>30</b>
	18. Division of Workers' Compensation Security Services	<b>31</b>
	19. Increased Support for Judgement Enforcement	<b>31</b>
	20. Bureau of Investigation Resources	<b>31</b>
	21. Cal/OSHA Centralized Complaint and Report Intake Unit.	<b>32</b>
	22. Extreme Heat and Agricultural Enforcement Task Force and Outreach.	<b>32</b>

## Items To Be Heard

### **0559 Labor and Workforce Development Agency 7320 Public Employee Relations Board**

The Labor and Workforce Development Agency oversees seven departments, boards and panels that serve California workers and employers. The Departments include the Agricultural Labor Relations Board, the Department of Industrial Relations, the Employment Development Department, the Employment Training Panel, the Public Employment Relations Board, the Unemployment Insurance Appeals Board, and the Workforce Development Board.

The California Public Employment Relations Board (PERB) is an independent state agency within the Labor and Workforce Development Agency (LWDA) responsible for overseeing labor relations between most California's public employers and their employees. As a quasi-judicial body, PERB administers and enforces collective bargaining laws, promotes fair labor practices, and resolves disputes to support stable and harmonious labor-management relations across the public sector.

#### **Issue 1: Unfair Labor Practices (AB 288)**

This issue will discuss the implementation of AB 288.

**Background.** On January 27, 2025, President Trump fired National Labor Relations Board (NLRB) member Gwynne Wilcox — the first time a president ever fired an NLRB member before their term ended — leaving the board with only two of its five members, stripping it of the quorum needed to issue rulings. The board has been without a quorum for more than 350 days, essentially crippling the NLRB.

As a backstop, **the California Legislature passed AB 288**, as the NLRB was weakened, defunded, and scaled back under the current federal administration, leaving private-sector workers without a venue to file unfair labor practice claims. Rather than leave those workers unprotected, California created a state-level alternative through PERB.

AB 288 (Chapter 139, Statutes of 2025) expands PERB's jurisdiction to cover private-sector workers previously protected under the NLRA, but only when the NLRB has explicitly or implicitly ceded jurisdiction. PERB must be able to adjudicate unfair labor practice cases, process representation petitions, and order relief including civil penalties — on a defined timeline — none of which it currently has capacity to handle.

- The NLRB handles ~2,600 cases in California annually; PERB estimates **10% will migrate** to them under AB 288.

- Cases phase-in gradually; refusal-to-bargain cases (500+ employee employers) from Jan 2026, smaller employers from July 2026, all remaining cases from Jan 2027.
- The NLRB's Acting General Counsel filed a lawsuit in the U.S. District Court for the Eastern District of California, seeking invalidation of and an injunction against enforcement of the law. On December 26, 2025, a partial injunction was granted.
- Current PERB staff (77 positions) cannot absorb the workload.

The Public Employee Relations Board requests **\$5.5M + 22 positions** in FY 2026-27, and **\$7.04M + 31 positions** in FY 2027-28 and ongoing, from General Fund. In addition, the Labor and Workforce Development Agency (LWDA) is requesting **\$1M one-time, in General Fund** in FY 2026-27 for Attorney General litigation costs.

**Panel**

- Susan Davey, Executive Director, Public Employee Relations Board (PERB)
- Jay Sturges, Deputy Secretary of Fiscal Policy and Administration, LWDA
- Cynthia Elmore, Finance Budget Analyst, Department of Finance
- Allison Hewitt, Principal Budget Analyst, Department of Finance
- Nick Schroeder, Legislative Analysts' Office

**Staff Comments**

The Subcommittee may wish to ask the following:

1. What parts of AB 288 are blocked by the partial injunction?
2. With the Injunction what can California enforce?
3. When will the lawsuit be settled?
4. How does the partial injunction and lawsuit impact the BCP?

**Staff Recommendation:** This item will be held open.

## 7100 Employment Development Department

The Employment Development Department (EDD) is the state entity responsible for administering various safety net programs in California, including Unemployment Insurance (UI), State Disability Insurance (SDI) and Paid Family Leave (PFL). The UI program issues partial income replacement for Californians who become unemployed through no fault of their own. The UI program is financed by employers, who pay unemployment taxes on wages paid to each worker. The SDI program provides partial wage replacement to eligible California workers who are unable to work due to a nonwork-related illness, injury or pregnancy. SDI is funded through employee contributions in the form of payroll taxes. Finally, the PFL program provides benefit payments to people who need to take time off work to, for example, care for a seriously ill family member or bond with a newborn child. The state's PFL program is part of the SDI program.

### Issue 2: EDDNext Modernization

The Employment Development Department requests \$145,520,000 (\$60,937,000 General Fund and \$84,583,000 Unemployment Compensation Disability Fund) in 2026-27 to continue the EDDNext modernization project. The resources requested in this proposal will enable the Department to continue supporting the modernization of benefits systems and services through the next phase of the EDDNext life cycle. This project is not only replacing aging benefit systems with flexible, user-friendly services, but is also aiming to change the processes and culture across Unemployment Insurance, State Disability Insurance, and Paid Family Leave benefit programs.

In addition, this request also includes reversion of \$70,570,000 General Fund from previously appropriated funds for the EDDNext project. EDDNext and CDT have revised the ICMS implementation schedule to prioritize DI/PFL, then UI, a reversal of the original order. Because of the historic investments in the UI Program to date, many of the systemic issues identified by the Strike Team have been triaged. In contrast, the DI/PFL Programs now require critical investment in system infrastructure to meet service demands amid aging technology. EDD will now prioritize addressing the DI/PFL programmatic issues via ICMS implementation.

The request effectively makes the DI/PFL program the priority to migrate the system from Kobalt.

### Background on EDDNext

In 2016, EDD began exploring a modernization effort to replace its legacy UI and SDI online application, as well as the PFL application system. Modernization efforts were halted during the pandemic, at the recommendation of the Governor's strike team, in order to assess options for reform. In September of 2021, the Department relaunched its modernization analysis and incorporated lessons-learned from the pandemic to develop an updated modernization roadmap. This multi-year project, which aims to improve customer service and accessibility for the UI, SDI,

and PFL programs, is now known as EDDNext.

**EDDNext has 5 listed project objectives:**

- 1) *Customer-Centered Service Design*: Ensure equity access via optimizing service channels (i.e. mobile social media, self-service website, chatbot, live chat) with multiple language access.
- 2) *Increase Self-Service Opportunities*: Simplify self-service functionality across all programs for claims intake and process.
- 3) *Mitigate Fraud*: Protect claimant identity, reduce fraudulent activities, and reduce the costly risk to the state by re-engineering claims processing and enhancing technology driven security.
- 4) *Improved, Consistent, Integrated Program Delivery*: Extend data analytics, improved dashboards, daily reporting on claim progress, fraud analysis, standardized user experience, and enhance EDD training to better serve claimants.
- 5) *Greater Adaptability for Faster Program Changes*: Integrated system that enables rapid program changes and enable scalability to meet the unusual spikes in workload demand and modifications required for compliance with the U.S. Department of Labor and California Rules and Regulations.

**EDDNext Funding to Date**

The Budget Act of 2022 provided \$136 million, split evenly between the General Fund and EDD's Unemployment Compensation Disability Fund, to begin funding the first phase of EDDNext.

The Budget Act of 2023 allocated an additional \$198 million in 2023, also split evenly between the General Fund and the Unemployment Compensation Disability Fund.

The Budget Act of 2024 allocated an additional \$326,829,000 one-time in 2024-25, funded equally by the General Fund and the Unemployment Compensation Disability Fund to continue the EDDNext Modernization project.

The Budget Act of 2025 allocated an additional Approves \$124,238,000 in 2025-26, funded equally by the General Fund and the Unemployment Compensation Disability Fund, to continue the EDDNext customer service improvement effort. In addition, the reappropriation of \$163,415,000 Unemployment Compensation Disability Fund included in the 2024 Budget Act

for the EDDNext modernization projects to make funds available for an additional year, through June 30, 2026.

**Panel**

- Caleb Horel, Chief Fiscal Services, Employment Development Department
- Ajit Girn, Deputy Director of Information Technology, Employment Development Department
- Cynthia Elmore, Finance Budget Analyst, Department of Finance
- Allison Hewitt, Principal Budget Analyst, Department of Finance
- Chas Alamo, Principal Fiscal & Policy Analyst, Legislative Analyst’s Office

**Staff Comments**

The Subcommittee may wish to ask the following questions:

1. Will prioritizing modernization to DI/PFL programs delay updates to UI?
2. Will this shift delay the overall timeline of EDDNext?
3. Will prioritizing modernization of DI/PFL programs increase response time to those cases?
4. Will there be extra cost due to the change?

**Staff Recommendation: Hold Open.**

**Issue 3: Paid Family Leave (SB 590 Implementation)**

The Employment Development Department is requesting funding to implement SB 590, which expands California's Paid Family Leave program to allow workers to care for a "designated person" anyone related by blood or with a family-like relationship — not just the current list of specific relatives. This change takes effect July 1, 2028.

**Funding Requested:**

- \$532,000 in FY 2026–27
- \$1,483,000 in FY 2027–28
- \$342,000 in FY 2028–29 and ongoing

All funding comes from the Unemployment Compensation Disability (DI) Fund — paid entirely by worker payroll contributions, not the General Fund. Money is split between staffing (temporary help across IT, Disability Insurance, Admin, and Public Affairs branches) and contract services (~\$482,000 one-time for IT project management, developers, testers, and oversight).

The claim volume increase is expected to be modest — roughly 1.3% more care claims in 2028, rising to a steady 2.7% increase by 2029 and beyond (an additional ~1,400 claims per year out of ~52,000). EDD notes this is consistent with what other states like Colorado and Oregon experienced when they made similar expansions.

**Background**

The PFL program provides benefits to eligible employees who care for a seriously ill child, spouse, parent, parent-in-law, grandchild, grandparent, sibling, or registered domestic partner, or to bond with a new child due to birth, adoption or foster care placement, or to take time off work to participate in a qualifying exigency. Workers receive 70 to 90 percent of their wages for up to eight weeks.

The program is funded entirely through worker payroll contributions — there is no cost to employers.

For 2026, the maximum weekly benefit amount is \$1,765 per week.

**Panel**

- Caleb Horel, Chief Fiscal Services, Employment Development Department
- Cynthia Elmore, Finance Budget Analyst, Department of Finance
- Allison Hewitt, Principal Budget Analyst, Department of Finance
- Chas Alamo, Principal Fiscal & Policy Analyst, Legislative Analyst's Office

**Staff Comments**

The Subcommittee may wish to ask the following questions:

1. What will be the impact to response times for PFL?
2. Does PFL/DI need more staff then being requested?

**Staff Recommendation: Hold Open.**

**Issue 4: Displaced Oil & Gas Worker Fund****Background**

The Displaced Oil and Gas Workers Fund was created in 2022 as part of the state's broader effort to manage its transition away from fossil fuels. The original program is administered by the California Employment Development Department (EDD), in coordination with the California Labor and Workforce Development Agency (LWDA). It was established as a pilot program, not a permanent fixture of state law.

The program was funded through a prior appropriation of **\$30 million one-time General Fund** included in the 2022 Budget Act (the original appropriation was \$40 million General Fund but was subsequently revised down via a General Fund solution included in the 2024 Budget Act). The state has since awarded nearly \$30 million overall to several organizations to help workers across the state. Separately, Newsom also approved \$20 million in the state's 2022–2023 budget for a pilot program to train workers to plug abandoned oil wells in Kern and Los Angeles counties.

The program aims to support displaced oil and gas workers in transitioning into sectors that match their skills and expertise and offer comparable wages, with a commitment to securing stable, well-compensated roles across diverse industries. Target sectors include renewable energy, high-technology, construction, advanced manufacturing, nanotechnology, and other high-growth, high-wage fields. The program not only provides training and job opportunities but may also facilitate general support services for workers during their transition.

The program focuses particularly on areas with high concentrations of displaced workers. The grant targets three specific counties: Kern County, Contra Costa County, and Los Angeles County. This reflects the impact of recent refinery closures — including the Marathon refinery closure in Martinez and the Phillips 66 refinery closure in Santa Maria, which together displaced over 600 full-time workers and thousands of contract workers, with additional planned closures in Carson, Benicia, and Wilmington.

The funding is set to run out in 2027. Assembly Bill 2157 was introduced in February 2026 by Assemblymembers Damon Connolly and Isaac Bryan, which would eliminate the program's March 31, 2027, sunset date, making it a permanent part of state law. The legislation also directs the EDD to work with the UC Berkeley Center for Labor Research and Education to develop recommendations for transitioning the fund from a pilot program into a permanent statewide initiative.

To date the program has served 518 individuals with the end goal of helping 1,715 individuals' total. In total \$27.7 million has been awarded and of that \$4.8 million has been spent by the awardees.

**Panel**

- Presenter / Q&A: Javier Romero, Deputy Director of Workforce Services, EDD
- Presenter/Q&A – Caleb Horel, Deputy Director for Administration, EDD
- Q&A – Cynthia Elmore, Finance Budget Analyst, DOF
- Q&A – Allison Hewitt, Principal Program Budget Analyst, DOF

**Staff Comments**

The Subcommittee may wish to ask:

1. What programs/trainings have been funded by DOGWF?
2. How have you measured success of these programs or a reporting requirement?
3. Has there been increasing demand due to recent refinery closures?
4. Will there be a need for DOGWF past its sunset next year? Does the state anticipate more refinery closures?

**Staff Recommendation.** This item was presented for information only.

## 7350 Department of Industrial Relations

The Department of Industrial Relations (DIR) administers and enforces laws governing wages, hours and breaks, overtime, retaliation, workplace safety and health, apprenticeship training programs, and medical care and other benefits for injured workers, including worker and public health safety amongst the states various Oil Refineries. Within the DIR is several divisions and boards, included in those are the Division of Occupational Safety & Health (Cal/OSHA), the Division of Workers' Compensation and the Commission on Health & Safety & Workers' Compensation.

### Issue 5: SIBTF Reform

#### Background

In 1945, California enacted the Subsequent Injuries Benefits Trust Fund (SIBTF) (Labor Code sections 4751-4755) to offset employers' workers' compensation costs for veterans and other workers with serious pre-existing disabilities that made a new work injury more disabling and, therefore, more costly to the employer. Numerous states implemented similar programs with a particular focus on veterans who had served during World War II. Since then, the program has dramatically expanded with significant cost. The program needs comprehensive reform to ensure the long-term availability and viability of this benefit going forward and to refocus the program to the original intent of the law, which is for serious pre-existing disabilities that limit an employee's ability to work. Today, many claims cite common health issues of aging, such as hypertension, sleep apnea, arthritis, diabetes, headaches, and sexual dysfunction, as pre-existing disabilities.

According to the Administration, SIBTF lacks alignment with the state's workers' compensation system, and this has caused a disparity among injured workers, unsustainable growth in SIBTF's liabilities, severe staffing challenges, and long delays for injured workers. Other states chose to eliminate similar programs because many protections the program offers are now provided by other policies and programs that did not exist when the subsequent injury funds were established.

SIBTF is administered by the Department of Industrial Relations (DIR) and the Division of Workers' Compensation (DWC).

The 2019 Budget included \$4.8 million WCARF and 30 positions to support the SIBTF program, much of which was limited term (LT). The 2022 Budget made the LT resources from the 2019 Budget ongoing. The 2022 Budget also included 6.0 positions for the DWC and 2.0 positions for the Office of the Director's Legal Unit (OD-Legal) for administrative support of the SIBTF program.

The 2019 Budget also briefly included trailer bill language to make changes to the SIBTF that correspond to the changes that were made to the rest of the state's Workers' Compensation system over the prior 20 years. The proposed changes were rescinded before budget subcommittee hearings occurred.

The 2025-26 Budget includes \$2.7 million Workers' Compensation Administration Revolving Fund (WCARF) and 15.0 permanent positions in 2025-26 and \$2.5 million WCARF in 2026-27 and ongoing to address rising workloads in the Subsequent Injuries Benefit Trust Fund Program.

In 2022, DIR contracted with RAND to conduct a study of the SIBTF program. The key findings from the report are:

- The volume of applications for SIBTF benefits is growing
- The number of SIBTF cases resolved with benefits, including a lifetime stream of benefits is growing
- Some chronic conditions that are common attendants to normal aging but are rare in the regular workers' compensation system are common as permanent partial disabilities in SIBTF claims, including diabetes, arthritis, headaches, obesity, hypertension, sleep disorders, and sexual dysfunction.
- An increase in claimants with a 100-percent Permanent Disability rating increases SIBTF liabilities
- Payments from SIBTF rose moderately until 2020, when they accelerated quickly
- The total estimated SIBTF liability of resolved and pending cases in system between 2010 and 2022 was approximately \$7.9 billion

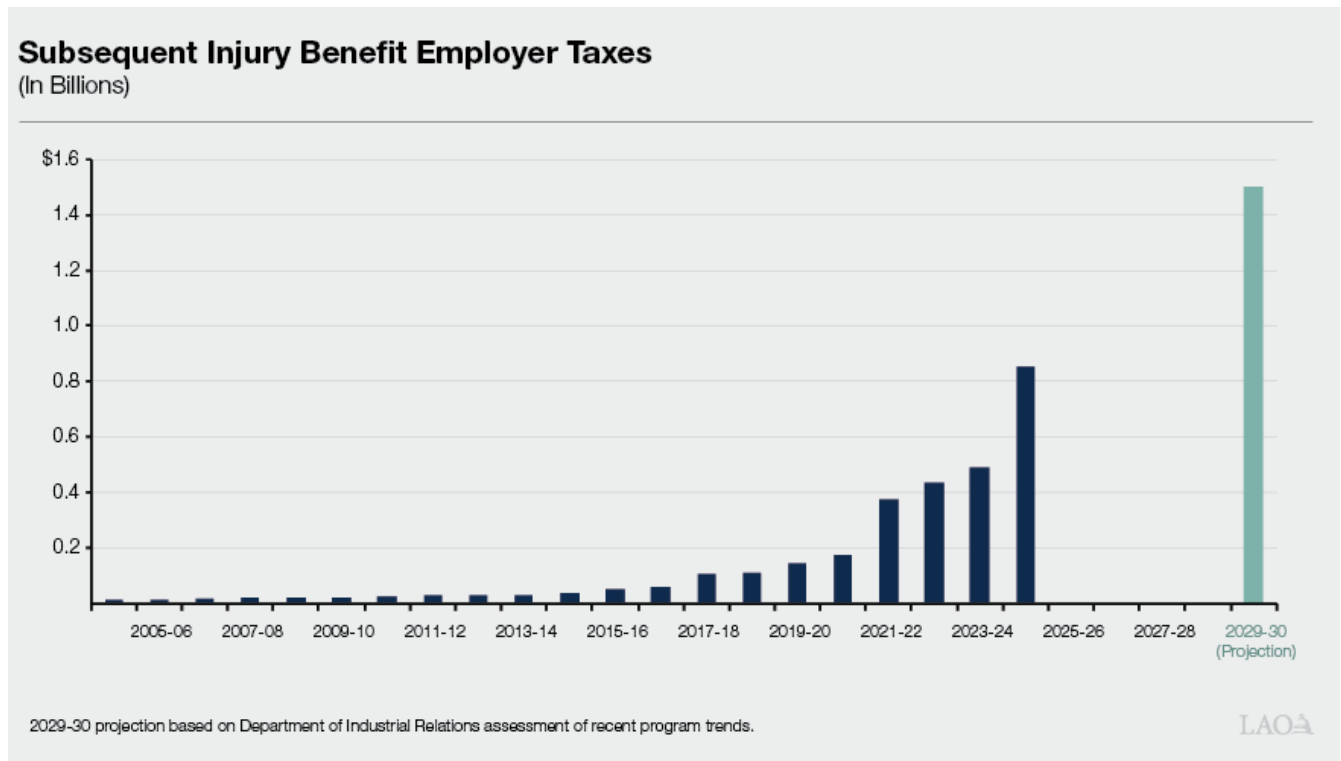
According to the Administration, the state has been faced with these issues:

- Interpretations of SIBTF's governing statutes, which are vague on key definitions and issues concerning eligibility and compensation, and other factors have led to more claims, more claims receiving lump sum payouts or lifetime benefits, and more claims receiving the highest level of benefits.
  - The volume of annual applications **has increased sixfold since 2015**. Between 2010 and 2014, around 850 new SIBTF applications were filed per year. In FY 2020-21, DIR received 2,496 applications and, in FY 2021-22, DIR received 2,448 applications. Most recently in FY 2024-25, DIR received 5,378 applications. Between July 1, 2025, and January 13, 2026, DIR has received 3,658 applications.
- 2020's *Todd v. SIBTF* led to a surge in the number of applications and the proportion of applications receiving the highest level of benefits.

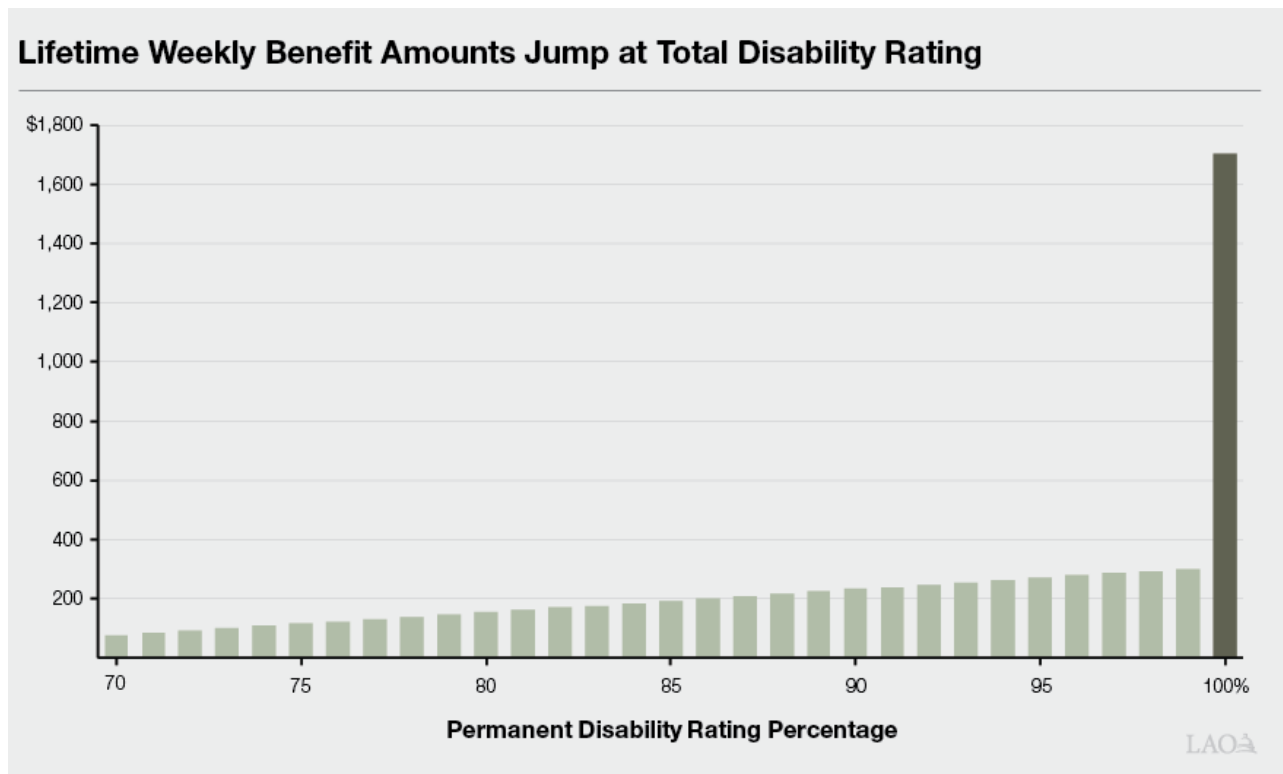
- In 2020, *Todd v. SIBTF* changed how the permanent disability rating was calculated for purposes of SIBTF claims, making it much easier to reach a 100% rating, which is rare in the regular workers' compensation system. When an applicant has a 100% rating, the amount of benefits to which a worker is entitled increases dramatically. This has resulted in a substantial increase in the benefits being paid out per case and a lack of parity between SIBTF fund recipients and applicants without a pre-existing condition.
- Increasing DIR Workload and Case Backlog:
  - DIR's workload has grown exponentially alongside growth in the program – with significant budget implications. In 2023-24, there were over 15,000 pending cases. In 2025-26, that number grew to over 25,000 pending cases. By July 2026, this number is projected to rise to 30,000 pending cases.
  - Absent comprehensive reform, DIR will need significantly more resources than if the program is reformed as proposed.
  - Aside from handling SIBTF claims, DIR's attorneys also handle claims for other benefits programs such as the Uninsured Employers Benefit Trust Fund (UEBTF). Unlike SIBTF, UEBTF often provides more urgently needed workers' compensation benefits, such as medical treatment and temporary disability payments, to workers who are injured while working for illegally uninsured employers that fail to provide benefits. Each DIR attorney can only reasonably and ethically handle a finite number of hearings for these benefits programs. For that reason, the heavy SIBTF caseloads significantly impact the ability of injured workers to get a timely hearing, as the number of available hearings for each DIR attorney is shared between SIBTF, UEBTF, and other cases.

The LAO is concerned with not only the backlog of cases but also the underlying fund exposure, as a potential symptom of something amiss in the Workers' Compensation system – overall, that is not sustainable.

The figure on the next page shows the rising SIBTF assessments paid by employers:



The figure below shows the relation between disability ratings and lifetime weekly Benefit amounts:



The backlog of SIBTF claims and the number of claims-per-examiner continue to be extremely high, and the number of new cases continues to increase sharply. The current volume of work is such that it cannot be accomplished with existing staff levels.

### **The Administration's Proposal**

The Administration has proposed key changes to the SIBTF Program in the form of trailer bill language. The proposal sets out to clearly define terms of eligibility in the decades-old statute, align the Subsequent Injuries Benefits Trust Fund (SIBTF) with the robust process and controls in the state's workers' compensation system, establish clear timelines for qualification, and provide technical clarity for operating the SIBTF.

With these changes, the Administration estimates that growth of the program will return to manageable levels, ensuring claims are timely processed for workers, and avoid increasing costs to public and private sector employers by billions of dollars over the long term. Updating the statutory language as proposed will conform to the original intent of the law while ensuring the long-term viability of this benefit to low-wage workers without disability pensions and will reduce costs associated with processing claims. In addition, the Department of Industrial Relations (DIR) will be able to resolve the existing backlog of pending applications, minimize impacts on the UEBTF, and manage the program with fewer resources than would be needed absent reforms.

Specifically, the trailer bill proposes to make these changes to the SIBTF program:

1. Define key terms to clarify definitions and add parameters to align benefits with the original intent of SIBTF (proposed Labor Code section 4750).
2. Align the SIBTF medical-legal process with the qualified medical evaluator (QME) program to prevent doctor shopping, utilize a certified physician experienced with the injured worker's medical history, eliminate duplicative efforts, and dramatically cut costs (proposed Labor Code section 4754.1).
  - a. Currently, SIBTF applicants can hire any doctor and SIBTF must pay for all medical reporting.
  - b. Allowing the SIBTF applicant to select any doctor has resulted in doctor-shopping, including multiple doctors and specialists on each case, all of which are charged to SIBTF before a case goes to hearing. Doctors selected by applicants give on average 6 to 8 percent higher ratings than those through the objective QME process where the physician/evaluator is trained to apply the *AMA Guides to the Evaluation of Permanent Impairment*.

- c. Payments to doctors and copy services are currently 24 percent of all payments from SIBTF – approximately double what is paid in the regular workers’ compensation system. SIBTF evaluations currently cost two to three times more than evaluations in the regular workers compensation system because they are not subject to the fee schedule.
  - d. Costs to SIBTF have exploded due to the lack of a QME process unlike the regular workers’ compensation system.
3. Clarify that a SIBTF claimant’s preexisting disabilities and subsequent industrial injury are combined using a Combined Values Chart (CVC) as in regular workers’ compensation cases. In regular workers’ compensation cases 100 percent disability is rare but has become the standard outcome in SIBTF cases – between 2020-2022, 82 percent of claims were determined to be at 100 percent disability and since then, the percentage of 100 percent disability cases has grown even higher (amended Labor Code sections 4751 and 4754).
  - a. The CVC avoids double payment for the overlap between the preexisting impairment and the impairment caused by the subsequent industrial injury. It does so by combining disabilities at a level lower than simple addition to avoid the duplication that occurs due to overlap of the effects of multiple disabilities on a person’s activities of daily living. Applying the CVC eliminates an overlap that overstates total disability.
  - b. A 2020 Workers’ Compensation Appeals Board decision interpreted an until-then seldom cited 1976 Court of Appeal decision as requiring that disabilities are added rather than combined for SIBTF cases, resulting in exponential growth in high-value SIBTF cases. Adding preexisting disabilities with the subsequent industrial injury disability more easily results in 100% disability determination, even when a worker continues to be fully employed.
  - c. The cost of 100 percent disability cases may be 3 to 4 times the cost of 99 percent disability cases.
4. The elimination of the 1.4 future earning capacity adjustment to align with the original purpose of Section 4750, which required the elimination of adjustment factors to the permanent disability rating (amended Labor Code section 4750).
5. Establish a statute of limitations, replacing the vague, judicially created 5-year period, which has proven difficult to apply, with a simple statutory 5-year period (proposed Labor Code section 4754.2).

6. Clarify that preexisting disabilities must be documented in medical evidence that existed before the occurrence of the subsequent industrial injury to prevent exaggerated claims and speculation in medical reporting (amended Labor Code section 4754 and proposed Labor Code section 4754.1).
7. Clarify that preexisting disabilities must be labor disabling at the time of the subsequent injury to eliminate applications based on asymptomatic conditions or treatable conditions that do not have demonstrable impact on the employee’s ability to perform work activity (proposed Labor Code section 4750).
8. Clarify that an employee is responsible for establishing that they have not already received payment for preexisting disability to prevent double recoveries. (Amended Labor Code section 4753)
9. Additional changes for DIR operation of the program:
  - a. Establishes that the provisions added in the trailer bill will apply to all open SIBTF cases that have not yet become final either through settlement or court decision (proposed Labor Code section 4757).
  - b. Ensure SIBTF is not subject to penalties, aligning with the Uninsured Employers Benefits Trust Fund (see Labor Code section 3716.2). State payment processes occasionally result in delays and have resulted in penalties (proposed Labor Code section 4754.3).
  - c. Identifies the DIR Director, who currently oversees the program, for purposes of operations, rather than the State Compensation Insurance Fund identified in the 1959 statute (amended Labor Code section 4754 and 4755).
  - d. Details a discovery process for mandatory credits against SIBTF compensation where an applicant has already been compensated for a pre-existing disability (amended Labor Code section 4753).

**Panel**

- Joshua Iverson, Chief Financial Officer, Department of Industrial Relations
- Jaskiran Grewal, Deputy Secretary of Legislation, LWDA
- Grace Henry, Finance Budget Analyst, Department of Finance
- Allison Hewitt, Principal Program Budget Analyst, Department of Finance
- Chas Alamo, Legislative Analyst Office

**LAO Comments*****Overall, Proposed TBL Aligned with LAO's Recommended Reforms.***

The proposed TBL would make changes to the SIBTF program that largely align with recommendations our office put forth last year. The proposed TBL's tighter definition of "labor disabling" (described above) corresponds to our recommendation that pre-existing conditions be work-limiting to qualify for SIBTF benefits. The TBL's requirement that pre-existing conditions be medically documented prior to the subsequent injury aligns with our recommendation to limit eligibility to longstanding and documented pre-existing disabilities, rather than conditions identified retroactively to support a SIBTF claim. Finally, the proposed TBL also undoes the *Todd* decision, effectively addressing our concern about how multiple conditions are aggregated to obtain a 100 percent disability rating.

The changes put forth by the administration represent a meaningful approach to refocusing the SIBTF program so that it may remain available to injured workers with severe pre-existing conditions as it was originally intended.

**Staff Comments**

Staff notes that a bill with a similar intent to reform the SIBTF program has been introduced this legislative year and that the committee may want to consider referring this issue to the policy process.

1. Is there legal precedence for changing the rules while people are waiting for their cases to be decided? Would the state face lawsuits?
2. What is the number of cases per staff currently? How long does it take staff on average to finalize a case?
3. If the state were to instead make the changes prospective to 12.31.26, what would be the staff and resources needed? How long would it take to clear out the backlog?
4. Is there a need for a larger conversation on the Workers Compensation Reform in general so that programs like SIBTF are not exploited?

**Staff Recommendation.** Hold Open.

**Issue 6: Subsequent Injuries Benefit Trust Fund (SIBTF) Workload**

The Governor's budget requests \$12.7 million and 57.0 positions in 2026-27, \$20.1 million and 96.0 positions in 2027-28, \$27.4 million and 133.0 positions in 2028-29, \$32.7 million and 159.0 positions in 2029-30, and \$36.5 million and 177.0 positions in 2030-31 and ongoing from the Workers' Compensation Administration Revolving Fund. These resources are necessary to address the accumulated backlog of cases resulting from years of substantial program growth. **The requested resources assumed full implementation of proposed reforms to the Subsequent Injuries Benefits Trust Fund (SIBTF) program and are substantially lower than resources that would be required absent such reforms.**

**Panel**

- Joshua Iverson, Chief Financial Officer, Department of Industrial Relations
- Jaskiran Grewal, Deputy Secretary of Legislation, LWDA
- Grace Henry, Finance Budget Analyst, Department of Finance
- Allison Hewitt, Principal Program Budget Analyst, Department of Finance
- Chas Alamo, Legislative Analyst Office

**Staff Comments**

The Subcommittee may wish to ask the following:

1. How much has backlog and liability grown since the RAND study?
2. If the legislature were to take no action, what would the impact be? How large would the backlog become? How many staff/Resources would DIR need?

**Staff Recommendation: Hold Open.**

**Issue 7: California Workplace Outreach Program (CWOP)**

This issue will look at the current state of the California Workplace Outreach Program (CWOP).

The **California Workplace Outreach Project (CWOP)** is a state-funded initiative under the Department of Industrial Relations (DIR) designed to educate workers about their rights, safety, and health in the workplace.

Originally launched in 2020 as the "COVID-19 Worker Outreach Program" to address pandemic-related safety concerns, the program has evolved into a broader effort to inform workers about labor protections, including wage theft, retaliation, and, notably, heat illness prevention.

Outreach covers paid sick leave, workers' compensation for injuries/illnesses, anti-retaliation protections, and wage and hour laws. The program serves as a critical bridge between workers and state enforcement agencies, allowing for targeted outreach in multiple languages.

SB 578 (Chapter 771, Statutes of 2025) codified and expanded the **California Workplace Outreach Program (CWOP)**. This bill establishes a permanent, state-funded program (upon appropriation) within the Department of Industrial Relations (DIR) to educate workers on their rights, with a focus on low-wage, high-risk industries. The program is set to sunset in January 1, 2031.

**Background**

From September 2023 through September 2024, the California COVID-19 Workplace Outreach Project (CWOP) was overseen by the California Department of Industrial Relations (DIR) and administered in collaboration with four University of California programs and led in partnership with 76 community-based organizations (CBOs) statewide.

CWOP's primary goal was to improve workplace health and safety conditions for California workers by expanding education, outreach, and awareness of the impact of COVID-19 in the workplace, labor laws related to workplace health and safety, and worker protections such as paid sick leave, anti-retaliation, and workers' compensation. Over this 12-month project period, CBOs successfully reached workers in low-wage industries who are at high-risk of experiencing unsafe working conditions and other labor violations.

CWOP is grounded in the core experience that the most effective way to reach historically underserved workers is through partnerships with local, trusted organizations that possess the language skills and cultural competence to provide support. CWOP has been uniquely successful because it provides organizations with the funding and capacity-building resources to

support workers in their communities, develop strong regional coalitions, and create a reliable network of worker support.

This iteration expanded the impact of previous years by increasing the number of participating CBOs and the capacity of CBOs through extensive, ongoing training. For the first time, CWOP provided funding for technical assistance for CBOs that wanted to support workers in resolving problems, helping to bridge the gap between education and action. As a result of these adjustments, CWOP has effectively conducted approximately 830,000 conversations with workers, reflecting a 30% increase compared to the 640,000 conversations held during the previous 12-month period.

### **CWOP Structure**

CWOP CBOs were organized into 10 regions and special focus areas, each led by a UC Lead and supported by a Regional Lead(s). This structure allowed each regional coalition to build local capacity, share knowledge and resources, and tailor strategies to the unique demographic and industry make up of their communities.

The UC Leads, including UC Berkeley Labor Occupational Health Program (LOHP), UC Davis Western Center for Agricultural Health and Safety (WCAHS), UCLA Labor Occupational Safety and Health Program (LOSH), and UC Merced Community and Labor Center (UCM CLC), were tasked with administering the program, managing subcontracts with participating CBOs in each region, and partnering with CBOs to implement the outreach and education campaign. UC Leads collaborated closely with Regional Leads to strategize for each region, provide trainings on substantive health and safety and labor rights topics, and provide ongoing support throughout the campaign. In addition, UC Leads also conducted their own outreach directly to workers as part of the regional strategy.

Regions were each supported by 1–2 “Regional Leads” who provided local leadership and drove collaboration. They were instrumental in helping coalition members work together to solve problems, share insights, and achieve outreach goals. Regional Lead responsibilities included coordinating strategies to reach the target demographic and industries in the region, participating in monthly one-on-one check-ins with each CBO and with UC Leads to address challenges and refine approaches, facilitating regional coalition meetings to foster communication and collaboration, and providing essential training and technical assistance to strengthen the efforts of CBOs in the coalition.

The need for effective worker outreach is not confined to pandemic-related issues. Data shows that each year, California workers are robbed of nearly \$2 billion through minimum wage violations alone. A survey conducted by the National Employment Law Project found 38% of California workers experience workplace violations.

The 2023-24 budget recommitted \$25 million to the program through June 30, 2028 and the 2024-25 budget committed \$30 million through June 30, 2029. However, unlike other programs that extend the reach of California’s labor agency via the “trusted messenger” model, CWOP is not written into law.

The 2025-26 budget included \$13 million one-time from the Labor Workforce Development Fund to supplement current grants.

DIR anticipates that all grant funds, including funds from the 2025-26 appropriation, will be awarded by the fall of 2026; however, the grant programs funded through these grants extend through June 2027. The 2025-26 appropriation will be used to supplement the current cohort presently scheduled to end June 2027.

**Panel**

- Josh Iverson, Department of Industrial Relations
- Michelle Yoon, Deputy Director of External Affairs and Community Outreach, DIR
- Allison Hewitt, Principal Program Budget Analyst, DOF
- Chas Alamo, Legislative Analysisist Office

**Staff Comments**

The Subcommittee may wish to ask the following:

1. When are the current contracts set to expire?
2. How long does it take to process CWOP grants? How much time do you need to plan before the grant money actually goes out?
3. If CWOP is not funded in this budget, does that mean there will be programmatic interruption?
4. Why was there a programmatic disruption last year? What can we do to avoid disruptions?

**Staff Recommendation.** This item was presented for information only.

## Non-Presentation Items

**Non-Presentation Items:** Staff have suggested the following items do not receive a formal presentation from the Administration in order to focus time on the most substantial proposals. Members of the Subcommittee may ask questions or make comments on these proposals at the time designated by the Chair of the Subcommittee or request a presentation by the Administration at the discretion of the Chair of the Subcommittee. Members of the public are encouraged to provide public comment on these items at the designated time.

### 0559 Labor and Workforce Development Agency

#### 1: Budget Change Proposal: Jobs First Administrative Resources Reappropriation

The Governor’s Office of Business and Economic Development (GO-Biz), Employment Development Department (EDD) and Labor & Workforce Development Agency (LWDA) request a reappropriation from previous Budget Acts to extend the encumbrance periods from two appropriations. The extended encumbrance period will allow GO-Biz, EDD, and LWDA to expend administrative resources for Jobs First program aligning with the lifecycle of the program which is operable until June 30, 2030.

This item will be heard by the committee at a later date when the committee hears Go-Biz items.

### 7120 California Workforce Development Board

#### 2: Budget Change Proposal: Additional Operational Resources

The California Workforce Development Board (CWDB) requests additional resources to support its operations starting in 2026-27 as follows: \$15.1 million (\$5.6 million General Fund and \$9.6 million other funds) in 2026-27, \$13.9 million (\$3.9 million General Fund and \$10 million other funds) in 2027-28, \$4.9 million (\$2.4 million General Fund and \$2.5 million other funds) in 2028-29, \$3.3 million (\$755,000 General Fund and \$2.6 million other funds) in 2029-30; and \$1.9 million other funds ongoing.

Additionally, CWDB requests a corresponding reduction in position authority in 2026-27 and the out-years.

**7300 Agricultural Labor Relations Board****3: Budget Change Proposal: Operation Resources for Information Technology and Human Resources**

The Agricultural and Labor Relations Board (ALRB) is requesting \$1.3 million and 4 positions in 2026-27 and \$1.2 million and 4 positions in 2027-28 and ongoing from the Labor and Workforce Development Fund to dispense its Information Technology and Human Resource responsibilities, and create the essential level of service, oversight, and monitoring necessary for the organization.

**7320 California Public Employment Relations Board****4: Budget Change Proposal; Transportation Network Company Drivers Labor Relations Act (AB 1340 Implementation).**

The Public Employment Relations Board (PERB) requests a total of \$2,245,000 General Fund and 8 positions in fiscal year 2026-27 and ongoing plus an additional \$800,000 in one-time funds to implement the requirements of Chapter 335, Statutes of 2025 (AB 1340).

**5: Budget Change Proposal: Attorney Classification Realignment and OE&E Cost Increase.**

The Public Employment Relations Board (PERB) requests \$378,000 General Fund in fiscal year (FY) 2026-27 and ongoing to align operating expenditures with current costs.

The Board cites the following as specific cost drivers:

- 1. Rent Increases (\$159,260)** PERB's three offices (Sacramento HQ, Oakland, and Glendale) all have leases with built-in annual rent increases of 3–5% per year. Total rent has grown from \$861,485 in FY 2019–20 to \$1,020,745 in FY 2025–26. They simply can no longer absorb the difference.
- 2. Software & Contract Cost Increases (\$43,031)** Three essential contracts — Microsoft Office 365, Westlaw (legal research), and their website maintenance — have risen from \$193,914 to \$257,557 since 2019–20. They did receive a partial allocation of \$20,612 in 2022–23 but still have a remaining gap.

3. **Case Management & Compliance System (\$60,786)** Their eCourt filing system and document accessibility compliance system (required by AB 434) have skyrocketed from \$52,269 to \$250,055. Again, they received a partial allocation of \$137,000 in 2022–23 but still have an unfunded gap.
4. **Attorney Supervisor Reclassification (\$115,000)** Three Supervising Attorneys were reclassified to "Attorney Supervisors" following a State Personnel Board classification consolidation that took effect June 1, 2023. The new classification comes with higher pay, but PERB was never given additional funding to cover the difference.

PERB has historically covered these gaps using salary savings from vacant positions, but with staffing levels increasing they no longer have enough vacancy savings to absorb the shortfall.

### 7350 Department of Industrial Relations

#### 6: Budget Change Proposal: Firefighter Protection Equipment (AB 1181)

The Department of Industrial Relations (DIR) requests \$530,000 in 2026-27, \$504,000 in 2027-28, and \$454,000 in 2028-29 from the Occupational Safety and Health Fund to conduct rulemaking related to Chapter 392, Statutes of 2025 (AB 1181), and 1.0 position and \$296,000 in 2029-30 and \$278,000 ongoing from the Occupational Safety and Health Fund for enforcement of the new standards.

#### 7: Budget Change Proposal: Foreign Labor Contractors Registration (AB 1362)

The Department of Industrial Relations (DIR) requests 2.0 positions and \$1.1 million in 2026-27, 4.0 positions and \$1.9 million in 2027-28, with a total of 4.0 positions and \$859,000 ongoing from the Labor Enforcement and Compliance Fund to meet the requirements of Chapter 190, Statutes of 2025 (AB 1362).

**8: Budget Change Proposal: Contracts in Restraint of Trade (AB 692)**

The Department of Industrial Relations (DIR) requests 1.0 position and \$335,000 in 2026-27 and 1.0 position and \$317,000 ongoing from the Labor Enforcement and Compliance Fund to meet the requirements of Chapter 703, Statutes of 2025 (AB 692).

**9: Budget Change Proposal: Apprentice Training Grant Augmentation**

The Department of Industrial Relations (DIR) requests \$18.2 million in 2026-27, \$18.1 million in 2027-28, and \$17.8 million in 2028-29 and 2029-30 from the Apprenticeship Training Contribution Fund to increase grant distributions to approved apprenticeship programs in the building and construction trades by \$17 million annually from 2026-27 to 2029-30 and support related operational costs.

**10: Budget Change Proposal: Construction Trucking Employer Amnesty Program (SB 509)**

The Department of Industrial Relations (DIR) requests \$195,000 in 2026-27, \$177,000 in 2027-28 and 2028-29, and 0.5 position and \$98,000 in 2029-30 and ongoing from the Labor Enforcement and Compliance Fund to meet the statutory requirements of Chapter 659, Statutes of 2025 (SB 809).

**11: Budget Change Proposal: Payment of Wages (AB 642)**

The Department of Industrial Relations (DIR) requests 1.0 position and \$195,000 in 2026-27 and \$177,000 in 2027-28 and ongoing from the Labor Enforcement and Compliance Fund to implement the requirements of Chapter 468, Statutes of 2025 (SB 642).

**12: Budget Change Proposal: Pre-Apprenticeship Support**

The Department of Industrial Relations (DIR) is requesting 2.0 positions and \$336,000 in 2026-27 and 2.0 positions and \$300,000 in 2027-28 and ongoing from the Apprenticeship Training Contribution Fund to support pre-apprenticeship programs for the building trades sectors, helping drive a more career-connected education system.

To enable the creation of support services needed for registration and sustainability of these growing programs, DAS recognizes the need for additional permanent staffing to evaluate and review CAC pre-apprenticeship programs in the building trades. This support will better allow DAS to oversee the pre-apprenticeship registration process. The positions needed to create this ongoing team to support these CAC programs includes:

**Evaluation:** Review and regulate operating registered pre-apprenticeships

1 Analyst I – This analyst is needed to ensure that pre-apprenticeship programs are adhering to their program standards and agreements and validate pre-apprenticeship renewals.

**Program Planning and Review:** Review and process program registration

1 Analyst II – This analyst will review all proposed pre-apprenticeship program registrations to ensure compliance with the Labor Code, providing feedback to program staff to ensure program adherence to the Labor Code.

**13: Budget Change Proposal: Public Works Information Technology System Enhancements**

The Department of Industrial Relations (DIR) requests \$8.9 million in 2026-27 from the Labor and Workforce Development Fund to provide system maintenance and operations to DIR's public works data systems as well as to support and educate the public on new prevailing wage portal features and manage the increased volume of wage data.

**14: Budget Change Proposal: The Workplace Know Your Rights Act (SB 294).**

The Department of Industrial Relations (DIR) requests 2.0 positions and \$390,000 in 2026-27 with \$354,000 in 2027-28 and ongoing from the Labor Enforcement and Compliance Fund to meet the requirements of Chapter 667, Statutes of 2025 (SB 294).

SB 294 enacts the "Workplace Know Your Rights Act." The bill requires employers to provide their employees, upon hire and annually thereafter, with a written notice of workplace rights. The notice will include information on workers' compensation, immigration inspection and unfair immigration-related practices, union organization and concerted activity, constitutional rights when interacting with law enforcement in the workplace, recent legal developments deemed necessary and material by the Labor Commissioner, and agencies that can enforce the rights described in the notice. The bill also requires LCO to develop a template notice on or before

January 1, 2026, in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, Hindi, Urdu, and Punjabi, and post it to LCO’s website. LCO is required to update the template notice annually. SB 294 also requires LCO to develop two videos on these topics by July 1, 2026, one for employees and another for employers.

Separate from the notice requirement, SB 294, requires an employer to notify an employee’s designated emergency contact, if one has been provided, when the employee is arrested or detained at the employer’s worksite, provided the employee has previously requested that their emergency contact be notified in such situations. The bill prevents an employer from discharging or taking adverse action against an employee for exercising their rights under the Act. SB 294 also requires LCO to enforce the Act, including collection of a penalty, through multiple mechanisms: adjudicating individual wage claims, lawsuit, BOFE citation, and its RCI procedures.

The 2 Positions requested are:

- **Deputy Labor Commissioner I (DLC I)**

SB 294 includes protections against retaliation for employees who assert their rights under the Workplace Know Your Rights Act. This is a new area of enforcement for LCO; however, RCI currently receives an average of 2,272 filings related to Labor Code section 98.65 annually and estimates a five percent increase in workload (or 114 claims filed) alleging violations of SB 294. As such, LCO requests 1.0 Deputy Labor Commissioner I to handle the anticipated increase in workload.

- **Deputy Labor Commissioner I (DLC I)**

LCO anticipates receiving reports of labor law violations under SB 294. Reports could involve an employer’s failure to provide the required notice or failure to notify the employee’s designated emergency contact in the event of an employee’s arrest or detention. LCO anticipates conducting approximately 30 investigations per year. These are expected to be non-complex investigations requiring, on average, 60 hours of DLC I time to complete from inception through issuance of a citation for the prescribed penalty.

**15: Budget Change Proposal: Software Licensing Support**

The Department of Industrial Relations (DIR) is requesting \$5 million in 2026-27 and ongoing from various special funds to support increased licensing and network upgrade costs related to automation and infrastructure.

The requested funding will be used to cover licensing costs associated with ServiceNow and GCP Platforms and to support DIR network bandwidth upgrades.

**16: Budget Change Request: Silicosis Training Attestation and Case Report Intake (SB 20)**

The Department of Industrial Relations (DIR) requests 3.0 positions and \$470,000 in 2026-27 and 3.0 positions and \$416,000 in 2027-28 and ongoing from the Occupational Safety and Health Fund to provide resources for the Division of Occupational Safety and Health to implement requirements of Chapter 734, Statutes of 2025 (SB 20).

Silicosis is an incurable, progressive lung disease that often leads to pulmonary fibrosis, respiratory failure, and eventually death. Its primary cause is occupational exposure to RCS. RCS exposure is also associated with other diseases, including autoimmune disorders, chronic renal disease, lung cancer, pulmonary tuberculosis, and chronic obstructive pulmonary disease.

SB 20 creates additional workload by requiring employers to annually submit to Cal/OSHA an electronic attestation that each employee has received required training. Based on the 2023 data provided by CDPH, Cal/OSHA estimates at least 808 attestations each year (and possibly more as the industry grows).

The new attestation requirement necessitates 2.0 Analyst II to collect, review, and analyze the attestations, as well as field questions from employers seeking to submit attestations. The analysts requested will use the attestations to assess compliance with the training required by section 5204 of title 8 of the California Code of Regulations and identify noncompliant artificial stonework shops. The analysts will also receive reports from CDPH and track the data, create reports that will inform enforcement and outreach efforts, and review and process paperwork and forms. Cal/OSHA also requires 1.0 Office Assistant (OA) to support the work of the analysts. The OA will track submissions, direct calls from employers and employees, guide employers to resources, help employers attempting to file attestations, and answer questions from the Cal/OSHA Enforcement and Legal units.

**17: Budget Change Proposal: Support for Occupational Safety and Health Workload**

The Department of Industrial Relations (DIR) requests 8.0 positions and \$1.6 million for 2026-27 and 8.0 positions and \$1.5 million ongoing from the Occupational Safety and Health Fund to address increased workload and mandated activities within the Division of Occupational Safety and Health (also known as Cal/OSHA).

**18: Budget Change Proposal: Division of Workers' Compensation Security Services**

The Department of Industrial Relations (DIR) requests \$6.5 million in 2026-27 and ongoing from the Workers' Compensation Administration Revolving Fund to pay for increased costs for security services provided by the California Highway Patrol.

The requested resources will fully fund the CHP contract for security services, which is critical to ensure the continuity of security coverage and to fulfill DIR's obligation to provide a safe and secure environment for employees and the public.

**19: Budget Change Proposal: Increased Support for Judgement Enforcement**

The Department of Industrial Relations (DIR) requests 7.0 positions and \$1.3 million in 2026-27, 14.0 positions and \$2.3 million in 2027-28, and 14.0 positions and \$2.2 million in 2028-29 and ongoing from the Labor Enforcement and Compliance Fund to increase the number of judgment referrals enforced by the Labor Commissioner's Office.

**20: Budget Change Proposal: Bureau of Investigation Resources**

The Department of Industrial Relations (DIR) requests 14.0 positions and \$2.3 million in 2026-27 and \$2 million in 2027-28 and ongoing from the Occupational Safety and Health Fund to address case backlog and statutory compliance within the Division of Occupational Safety and Health, Bureau of Investigation.

The requested resources will enable BOI to more effectively fulfill the duties required under Labor Code section 6315, providing increased capacity in investigations of serious injury and fatality cases. In cases where sufficient evidence exists to show alleged criminal negligence and/or felony violations of Cal/OSHA standards, increased staffing will expand BOI's ability to file criminal cases with local District Attorney's Offices and continue to participate in the case through its adjudication by appearing in preliminary hearings and testifying in court.

With an increase in BOI staffing, there will be increased demand on DIR's essential administrative support services, requiring two Analyst I positions.

**21: Budget Change Proposals: Cal/OSHA Centralized Complaint and Report Intake Unit**

The Department of Industrial Relations (DIR) is requesting 35.0 positions and \$5.9 million in 2026-27 and 35.0 positions and \$5.3 million ongoing from the Occupational Safety and Health Fund to create a centralized complaint and report intake unit to help address the number of complaints, accidents, fatalities, and referrals the Division of Occupational Safety and Health receives.

According to the Department the resources requested in this proposal will help enable Cal/OSHA to process the high volume of complaint and accident reports of unsafe working practices and/or conditions within state and/or Federal OSHA mandated timeframes and workplace safety inquiries from employers, workers and the public. Additionally, current staff will be able to focus on their designated responsibilities to conduct onsite inspections of worksites to prevent worker exposure to occupational safety and health hazards and death.

**22: Budget Change Proposal: Extreme Heat and Agricultural Enforcement Task Force and Outreach**

The Department of Industrial Relations (DIR) requests 34.0 positions and \$7.7 million in 2026-27, and 34.0 positions and \$7.1 million in 2027-28 and ongoing, from the Occupational Safety and Health Fund to continue addressing extreme heat workload and agricultural enforcement and outreach efforts.

This agenda and other publications are available on the Assembly Budget Committee's website at: [Sub 5 Hearing Agendas | California State Assembly](#). You may contact the Committee at (916) 319-2099. This agenda was prepared by Guy Strahl.