



County of Los Angeles CHIEF EXECUTIVE OFFICE

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July 31, 2007

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

Pursuit of County Position on Legislation

AB 213 (Fuentes), as amended on July 18, 2007, would eliminate the employer's right to object to the venue for the filing of an application for adjudication of claims with the Workers' Compensation Appeals Board. The previous version of this bill related to the implementation of the 2007 Budget Act.

Under current law, an injured employee may file a claim for adjudication of a workers' compensation claim with the Workers' Compensation Appeals Board in any of three locations. These locations include: 1) the county in which the employee or dependent lives; 2) the county in which the injury occurred; or 3) the county in which the employee's attorney maintains his or her principal office. An employer has 30 days to object to the worker's choice of location based upon the attorney's principal office and therefore limit the filing to the first two locations.

This bill would eliminate the employer's right to object to a venue for the filing of an application for adjudication of a workers' compensation claim based upon the principal office of the applicant's attorney. Such a change would require the County, as an employer, to incur substantial costs and loss of productivity associated with having to attend a hearing in locations convenient only to the applicant's attorney and not convenient for the County or potentially the injured employee. CEO Risk Management

staff advises that AB 213 would restrict the County, acting as an employer, to actively and efficiently defend its rights to adjudicate workers' compensation claims. In addition, elimination of the employer's right to contest the venue undermines the Board's authority as employer. As such, **our Sacramento advocates will oppose AB 213.** This bill has been sent to the Senate Floor for consideration. There is no known support or opposition to the bill.

County-opposed AB 338 (Coto), as amended on July 17, 2007, would enhance temporary disability benefits for sworn and non-sworn government employees. Under current law, temporary disability payments are limited to 104 weekly payments over a two-year period. In addition, certain safety officers are eligible to take up to a one-year leave of absence without loss of pay subsequent to a job-related injury. AB 338 would allow: 1) injured workers to receive up to 156 weeks of temporary disability benefits for injuries occurring on or after January 1, 2007; 2) benefits to be received at any time within five years of the date of injury; 3) extension of the 156 weeks of potential benefits by the amount of time when temporary disability benefits are due and payable and more than 14 days late, or when an employer's objection causes a delay in the injured worker receiving treatment and the review or objection is decided in favor of the injured worker; and 4) the one-year leave of absence time for safety officers to be extended for the reasons noted in 3) above. CEO Risk Management staff indicates that the provisions of the bill would require a substantial increase in the recordkeeping necessary to calculate the length of "delays" that would extend the maximum number of weekly payments. In addition, AB 338 would result in undetermined additional costs to the County related to the increased number of payments to temporarily disabled workers.

The July 17, 2007 amendment removed provisions related to temporary disability benefits for incarcerated workers. Specifically, the provisions removed include: 1) inmates of any county jail, industrial farm, road camp, or city jail, or an inmate assigned to a county work release program who would not have qualified for temporary disability benefits prior to incarceration shall not receive temporary disability benefits as a result of a work-related injury that occurs during incarceration; and 2) inmates as defined above who qualified for temporary disability benefits prior to incarceration shall be entitled to receive benefits based on that qualification as a result of a work-related injury that occurs during incarceration, but that the prisoner shall receive these benefits only upon release.

While this amendment is favorable to the County, **our Sacramento advocates will continue to oppose this bill**, consistent with existing County policy to oppose legislation that would mandate benefit changes without approval of the Board of Supervisors. AB 338 passed the Senate Labor and Industrial Relations Committee on July 11, 2007 on a vote of 3 to 2 and has been transmitted to the Senate Floor for consideration. The bill, as amended on July 17, 2007, was sponsored by the California Labor Federation (AFL-CIO) and supported by the California Professional Firefighters,

Amalgamated Transit Union, American Federation of State, County and Municipal Employees, the California Professional Firefighters, and various other labor and trade organizations. AB 338 was opposed by, among others, the California Association of Joint Powers Authorities, California State Association of Counties, League of California Cities, California Chamber of Commerce, Regional Council of Rural Counties, and California Coalition of Workers' Compensation.

SB 966 (Simitian), as amended on June 27, 2007, would authorize drug retailers to establish projects to collect expired or unused drugs from consumers for proper disposal. The bill specifically cites programs in Los Angeles, Marin, San Mateo, and Santa Clara Counties, among others, as models for program development in other California jurisdictions. The Department of Toxic Substances Control will evaluate the voluntary program in the year 2010, and if less than 80 percent of the State's population have access to a collection program, the Department would require every retailer to participate in the program by January 1, 2011.

According to a recent Assembly Health Committee analysis, there are currently few readily accessible programs for the collection of expired or unused prescription drugs. Under existing law, hazardous waste and medical waste are regulated to prevent unsafe disposal that may pose a risk to human health and the environment. However, because the law considers drugs a household waste, there is no prohibition against throwing unused drugs in the trash or flushing them down the toilet, where they can pose a threat to the environment and contaminate waterways. Opponents are concerned that the bill will lead to the theft and diversion of medicines from the containers into which consumers will be disposing their unused medicines, and will unfairly place administrative burdens on retailers and pharmacies.

The Department of Public Health indicates that collection programs are needed to prevent medications from being improperly disposed of and introduced into the environment. On October 31, 2006, your Board instructed the Departments of Health Services, Public Health, and Public Works, with County Counsel and the Chief Administrative Officer, to work with the Los Angeles County Sanitation Districts to expand an existing Countywide unused or expired drug collection and disposal program called the No Drugs Down the Drain Program. SB 966 would provide options to the public to safely dispose of medications. Support of SB 966 is consistent with your Board's position on the No Drugs Down the Drain Program and existing Board policy to promote environmentally friendly programs that address reasonable protection of resources. Therefore, **our Sacramento advocates will support SB 966**. SB 966 passed the Assembly Health Committee on July 5, 2007 by a vote of 9 to 5 and now awaits consideration in the Assembly Appropriations Committee.

SB 966 is supported by over 50 organizations and jurisdictions including: American Federation of State, County and Municipal Employees; Breast Cancer Fund; Californians Against Waste; California Alliance for Consumer Protection; California

Association of Sanitation Agencies; California Nurses Association; California State Association of Counties; California Veterinary Medical Association; County Sanitation Districts of Los Angeles County; League of California Cities; Orange County Sanitation District; Planning and Conservation League; and Sierra Club California. The bill is opposed by the California Grocers Association; California Independent Grocers Association; California Manufacturers and Technology Association; California Retailers Association; California State Board of Pharmacy; National Association of Chain Drug Stores; Rite Aid; and the Walgreen Company.

We will continue to keep you advised.

WTF:SRH:GK
MAL:DD:IGR:hg

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants