

April 13, 2004

Governor Arnold Schwarzenegger
State of California
Capitol Building
Building 1114
Sacramento, California 95814

RE: Workers Compensation

Dear Gov Schwarzenegger:

This is to confirm that the Crescent City/Del Norte Chamber of Commerce strongly endorses your efforts to reform the state's Workers Compensation System.

The current system is clearly broken and results in an excessive and unacceptable financial burden on the businesses of our state. In the face of growing and stiff competition from businesses in other states and around the world, the burgeoning costs of California's Workers Compensation System have made it increasingly difficult for business owners situated in our state to keep their costs of operation and prices in line. If the system is not fixed, and soon, the high costs of doing business in California will drive many previously productive businesses into bankruptcy. Also troubling is the fact that many other California businesses are relocating their operations to other states with a less onerous Workers Compensation System.

The time has come for serious reform of this system. What we need is a system that does not countenance fraud and abuse, a system that provides compensation for actual on-the-job injuries, a system that puts doctors in charge of treatment, and a system that bases decisions on medical facts and hard evidence. Most importantly, what we need is a system that balances the rights of injured workers with the interests of their employers.

In closing, the businessmen and women of our city, county and the entire state are the ones who have made California one of the greatest economic engines in the world. Even a great economy can only handle so much before it begins to break down. We have reached that point. Workers Compensation change must happen and it must happen now!

Thank you for your consideration.

Jay Freeman,
President,
Crescent City/Del Norte Chamber of Commerce