

BILL NUMBER: AB 2490  
VETOED DATE: 09/30/2010

To the Members of the California State Assembly:

I am returning Assembly Bill 2490 without my signature.

This bill is unnecessary because there is no evidence to demonstrate that a problem exists. In my view, the bill risks reducing the competitive market for workers' compensation California now enjoys due to our reforms. The broad language in the bill leaves open the potential for costly regulatory interpretation that will impact the cost of workers' compensation insurance. The high deductible contract negotiations the bill seeks to impact are conducted by sophisticated participants on both sides of the table that are well versed in all aspects of workers' compensation and other insurance products. Therefore, I am not convinced the issue addressed by the bill will result in keeping workers' compensation costs down which is the most significant concern to California employers.

For these reasons I am unable to sign the bill.

Sincerely,

Arnold Schwarzenegger