

March 12, 2025

The Honorable Liz Ortega Chair, Assembly Labor and Employment Committee 1020 N Street, Room 155 Sacramento, CA 95814

SUBJECT: AB 485 (Ortega) — Oppose

Dear Assemblymember Ortega,

California hospitals are committed to delivering high quality health care to the communities they serve and competitive wages to the workers they employ. Hard-working Californians should never be denied earned wages or health care services.

Assembly Bill (AB) 485, however, would expand existing wage theft enforcement mechanisms by threatening the licensure of California hospitals — which would negatively impact patient care and threaten access to vital health care services. For this reason, the California Hospital Association (CHA), on behalf of more than 400 hospitals and health systems, OPPOSES AB 485.

Under existing law, the Labor Commissioner may use an array of enforcement mechanisms to compel the payment of unpaid wages. This includes issuing a stop work order against an employer that has ignored a judgment for unpaid wages — essentially shutting down a business. AB 485 takes this one step further by giving the Labor Commissioner authority to instruct any licensing agency to withhold issuing or renewing a license or permit until the outstanding judgment is satisfied. For hospitals, this means closure — a detrimental consequence for patients and workers.

Each hospital recognizes the value and strength its workforce brings to the quality of care and services provided to its patients. To that end, hospitals do not support or condone wage theft — but as a matter of policy, AB 485 goes too far. Providing the Labor Commissioner with additional resources to better utilize existing enforcement mechanisms is a far better approach than threatening to withhold a hospital's license and risk its closure — thus reducing access to vital health care services in California communities.

Sincerely,

Kalyn Dean

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Vice President, State Advocacy

cc: The Honorable Liz Ortega
The Honorable Members of the Assembly Labor and Employment Committee
Erin Hickey, Principal Consultant, Assembly Labor and Employment Committee

Lauren Prichard, Consultant, Assembly Republican Caucus