



June 19, 2025

The Honorable Lola Smallwood-Cuevas  
Chair, Senate Labor, Public Employment and Retirement Committee  
1021 O Street, Room 6740  
Sacramento, CA 95814

**SUBJECT: AB 485 (Ortega) — Oppose**

Dear Senator Smallwood-Cuevas,

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 would expand existing wage theft enforcement mechanisms to include threatening hospital licensure — an aggressive step that would result in hospital closures, negatively impacting patient care and threatening 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 would take this one step further by requiring the Labor Commissioner to notify licensing agencies, which would then 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 that has a cascading effect on the community. Patients must be transferred to hospitals with capacity, workers must find alternative employment, sensitive equipment must be disabled, blood banks are disrupted, and third-party contracts must be suspended. Moreover, reopening a hospital that has been forced to close is a resource-intensive, lengthy endeavor — and communities are left without access to care in the meantime.

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, which ultimately would hurt the patients we all serve.

Sincerely,



Kalyn Dean  
Vice President, State Advocacy

cc: The Honorable Liz Ortega  
The Honorable Members of the Senate Labor, Public Employment and Retirement Committee  
Alma Perez, Chief Consultant, Senate Labor, Public Employment and Retirement Committee  
Cory Botts, Consultant, Senate Republican Caucus