

# CONTROLLER STEVE WESTLY

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## Workers' Comp Costs Hurt Non-Profits

*Survey shows average costs more than doubled over three years*

SACRAMENTO, CA – State Controller Steve Westly today released a survey of California non-profit organizations showing that workers' compensation costs more than doubled over a three-year period.

“We all know that out-of-control workers' comp costs are hurting businesses in California. But non-profits, which provide vital services in California communities, are suffering just as much,” Westly said.

From fiscal year 2000-01 to 2002-03, workers' compensation costs for the 74 organizations surveyed increased an average of 136 percent. Many organizations reported that increased costs have led to layoffs or lack of new hiring, which constrains health and human services.

Highlights of the survey include:

- The Arcata Community Recycling Center experienced an increase of 299 percent. As a result, it has been unable to invest in new equipment and facilities.
- St. Vincent de Paul in Eureka, which provides job training to the homeless, reported an increase of 157 percent. The rising costs have led to a 33 percent reduction in staff.
- The Pacific Autism Center for Education in Sunnyvale, which provides educational and residential facilities for autistic children and adults, saw a 178 percent cost increase.

“At a time when we're facing cuts to state services, non-profits and community-based organizations are being asked to do more with less. They shouldn't be strangled by workers' compensation costs,” Westly added.

In December, Westly released a survey showing that public agencies' workers' compensation costs have increased 18 percent to 55 percent. The survey included state government and the largest counties, cities and school districts in California.

*Attached is a [chart](#) of the organizations that participated in the survey. To speak with some of the non-profit leaders who participated in the survey, please see the attached contact list.*

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## **Non-Profit Contacts**

Arcata Community Recycling Center  
Mark Loughmiller, Executive Director  
707-822-4542 ext. 210

St. Vincent de Paul (Eureka)  
Dan Heinen, Executive Director  
707-834-1974

Pacific Autism Center for Education (Sunnyvale)  
David H. Tollner, Executive Director  
408-245-3400

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[Link to Chart](#)