

—(1) An employer developing or projecting an annual workers' compensation insurance premium, in California, of fifty thousand dollars (\$50,000) or more, and employing at least 50 employees, or any employer that paid an annual workers' compensation insurance premium, in California, of fifty thousand dollars (\$50,000), and employing at least 50 employees in at least one of the previous three years.

—(2) Groups of employers engaged in a workers' compensation safety group complying with Sections 11656.6 and 11656.7 of the Insurance Code, and established pursuant to a joint labor management safety committee or committees, that develops or projects annual workers' compensation insurance premiums of five hundred thousand dollars (\$500,000) or more.

—(3) Employers or groups of employers, including cities and counties, that are self insured in compliance with Section 3700 that would have projected annual workers' compensation costs that meet the requirements of, and that meet the other requirements of, paragraph (1) in the case of employers, or paragraph (2) in the case of groups of employers.

—(d) Any recognized or certified exclusive bargaining representative in an industry not covered by Section 3201.5, may file a petition with the administrative director seeking permission to negotiate with an employer or group of employers to enter into a labor management agreement pursuant to this section. The petition shall specify the bargaining unit or units to be included, the names of the employers or groups of employers, and shall be accompanied by proof of the labor union's status as the exclusive bargaining representative. The current collective bargaining agreement or agreements shall be attached to the petition. The petition shall be in the form designated by the administrative director. Upon receipt of the petition, the administrative director shall promptly verify the petitioner's status as the exclusive bargaining representative.

If the petition satisfies the requirements set forth in this subdivision, the administrative director shall issue a letter advising each employer and labor representative of their eligibility to enter into negotiations, for a period not to exceed one year, for the purpose of reaching agreement on a labor management agreement pursuant to this section. The parties may jointly request, and shall be granted, by the administrative director, an additional one year period to negotiate an agreement.

—(e) No employer may establish or continue a program established under this section until it has provided the administrative director with all of the following:

—(1) Upon its original application and whenever it is renegotiated thereafter, a copy of the labor management agreement and the approximate number of employees who will be covered thereby.

—(2) Upon its original application and annually thereafter, a statement signed under penalty of perjury, that no action has been taken by any administrative agency or court of the United States to invalidate the labor management agreement.

—(3) The name, address, and telephone number of the contact person of the employer.

—(4) Any other information that the administrative director deems necessary to further the purposes of this section.

—(f) No collective bargaining representative may establish or continue to participate in a program established under this section

unless all of the following requirements are met:

—(1) Upon its original application and annually thereafter, it has provided to the administrative director a copy of its most recent LM-2 or LM-3 filing with the United States Department of Labor, where such filing is required by law, along with a statement, signed under penalty of perjury, that the document is a true and correct copy.

—(2) It has provided to the administrative director the name, address, and telephone number of the contact person or persons of the collective bargaining representative or representatives.

—(g) Commencing July 1, 2005, and annually thereafter, the Division of Workers' Compensation shall report to the Director of Industrial Relations the number of labor management agreements received and the number of employees covered by these agreements.

—(h) By June 30, 2006, and annually thereafter, the administrative director shall prepare and notify Members of the Legislature that a report authorized by this section is available upon request. The report based upon aggregate data shall include the following:

—(1) Person hours and payroll covered by agreements filed.

—(2) The number of claims filed.

—(3) The average cost per claim shall be reported by cost components whenever practicable.

—(4) The number of litigated claims, including the number of claims submitted to mediation, the appeals board, or the court of appeal.

—(5) The number of contested claims resolved prior to arbitration.

—(6) The projected incurred costs and actual costs of claims.

—(7) Safety history.

—(8) The number of workers participating in vocational rehabilitation.

—(9) The number of workers participating in light duty programs.

—(10) Overall worker satisfaction.

—The division shall have the authority to require employers and groups of employers participating in labor management agreements pursuant to this section to provide the data listed above.

—(i) The data obtained by the administrative director pursuant to this section shall be confidential and not subject to public disclosure under any law of this state. However, the Division of Workers' Compensation shall create derivative works pursuant to subdivisions (f) and (g) based on the labor management agreements and data. Those derivative works shall not be confidential, but shall be public. On a monthly basis, the administrative director shall make available an updated list of employers and unions entering into labor management agreements authorized by this section.

SEC 8. Section 3202 of the Labor Code is amended to read:
3202. This division and Division 5 (commencing with Section 6300) shall be liberally construed by the courts with the purpose of extending their benefits for the protection of persons injured in the course of their employment. *All worker' compensation laws and findings of fact shall be interpreted in an impartial and balanced manner such that all parties are considered equal before the law. All parties and lien claimants are required to meet the evidentiary burden of proof on all issues by a preponderance of the evidence. "Preponderance of the evidence" means such evidence as, when weighed with that opposed to it, has more convincing force and the greater probability of truth. When weighing the evidence, the test is not the relative number of witnesses, but the relative convincing force of the evidence.*