

2009

## 2009 Legislative Summary

Assembly Committee on Insurance

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California State Legislature  
Assembly Committee on Insurance

**2 0 0 9**  
**LEGISLATIVE SUMMARY**

Jose Solorio, Chair



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2009

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December 9, 2009

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To Assembly Members and All Interested Parties:

The Assembly Insurance Committee tackled many significant bills during the Regular Session and the 3<sup>rd</sup> Extraordinary Session.

The following is a summary of the 64 legislative bills that were referred to the Assembly Insurance Committee in 2009. Detailed information about each bill is available at the Assembly's web page [www.assembly.ca.gov](http://www.assembly.ca.gov) and by clicking on "Legislation."

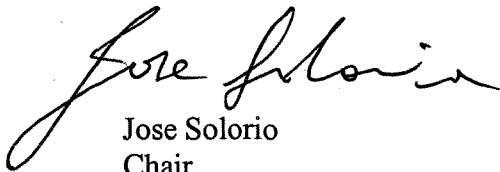
During the Regular Session, the Committee considered legislation affecting automobile insurance, life insurance, workers' compensation, electronic notices by insurance companies, long-term care insurance, the Insurance Commissioner, and life settlement contracts.

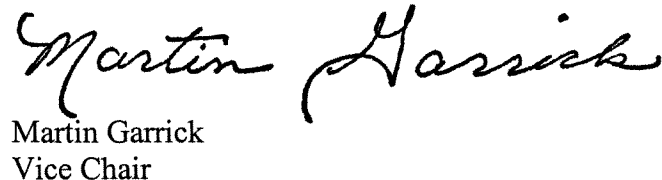
During the 3<sup>rd</sup> Extraordinary Session, the Committee considered two bills vital to the economic well-being of California. AB X3 23 conforms state law to federal law to make it possible for 469,000 long-term unemployed Californians to qualify for up to an additional 20 weeks of extended unemployment insurance (UI) benefits in 2009. These UI benefits will total \$3 billion in the state, are 100% federally funded, and will provide highly valuable funds to families and communities. AB X3 23 was approved by the Legislature and signed by the Governor.

The second Special Session bill, AB X3 29, allows recent wage earnings to be counted toward becoming eligible for unemployment insurance (UI). This legislation, also enacted, will make it possible for an additional 30,000 unemployed people to receive UI benefits each year, and makes California eligible to receive \$839 million in federal stimulus funds to pay for UI benefits.

If you would like additional information about any bill referenced in this summary, or if our Committee can be of additional help, please feel free to contact our office at (916) 319-2086.

Sincerely,

  
Jose Solorio  
Chair

  
Martin Garrick  
Vice Chair

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**ASSEMBLY INSURANCE COMMITTEE**  
**2009**  
**LEGISLATIVE SUMMARY**

**Assembly Bills**

**AB 41 (Coto) – Insurance: community development investment.**

Would extend to January 1, 2015, the sunset date on the requirement that insurers biennially provide to the Insurance Commissioner (IC) information on community development investments. Would require insurance companies that write \$100 million or more in premiums to develop and biennially file with the IC a company policy on community development investments. Would require the IC to establish a link on the Department of Insurance (DOI) internet website providing public access to each insurer's community development investments.

*Status: In the Assembly Insurance Committee.*

**AB 43 (Blakeslee) – California Earthquake Authority: employees.**

Would have removed a 25 person cap on the number of civil service employees the California Earthquake Authority (CEA) may hire, and would have authorized contracting for the services of a chief mitigation officer whose duties would be established and directed by the CEA board to support and enhance the authority's various mitigation programs, including collaborative efforts with public and private entities.

*Status: Vetoed by the Governor.*

**GOVERNOR'S VETO MESSAGE:**

" While I am supportive of the California Earthquake Authority (CEA) contracting for the services of a Chief Mitigation Officer to be responsible for the mitigation activities of the CEA, I cannot support the provision in this bill eliminating the limit on the number of civil service employees that can be employed by the CEA."

**AB 76 (Yamada) – Life and Annuity Consumer Protection Fund.**

Extends the sunset date of the Life and Annuity Consumer Protection Fund administered by the DOI from January 1, 2010 to January 1, 2015. Requires the DOI to annually publish on its website a report that consolidates designated statistics summarizing DOI's life insurance and annuity consumer protection activities and descriptions of departmental education programs for educating consumers about these products, and their purchase, use and related matters of consumer interest.

*Status: Chapter 75, Statutes of 2009.*

**AB 128 (Coto) – Workers' compensation: cancer presumption.**

Would have established a life-time workers' compensation cancer presumption for public safety professionals (e.g., fire firefighters, police officers, highway patrol) with substantial years of service credit.

*Status: Held in the Assembly Appropriations Committee.*

**AB 280 (Blakeslee) – California Earthquake Authority: retrofit programs: grants.**

Would have authorized the California Earthquake Authority to establish a grant or loan program to retrofit specified "soft-story" buildings. Soft-story buildings are those with a ground floor less stable than upper floors, most often due to commercial uses or parking spaces on the first floor.

*Status: Held in the Assembly Appropriations Committee.*

**AB 299 (Committee on Insurance) – Insurance.**

Makes a series of technical and noncontroversial changes to laws governing the authority and duties of the Insurance Commissioner and insurance companies to clarify and update existing laws.

*Status: Chapter 234, Statutes of 2009.*

**AB 328 (Charles Calderon) – Electronics transactions: exceptions.**

Authorizes insurance companies to send certain insurance notices electronically, and authorizes insurance companies to pay claims by electronic funds transfers.

*Status: Chapter 433, Statutes of 2009.*

**AB 361 (Bonnie Lowenthal) – Workers' compensation: treatment authorization.**

Precludes an employer from refusing to pay for workers' compensation medical treatment services if the employer has approved those services prior to the time the medical provider treated the claimant.

*Status: Chapter 436, Statutes of 2009.*

**AB 381 (Block) – Unemployment compensation disability benefits: academic employees.**

Allows community college districts to elect to provide state disability insurance coverage to academic employees who are permanent, part-time, or temporary; and, to management, confidential, and employees who are not part of a bargaining unit.

*Status: Chapter 437, Statutes of 2009.*

**AB 384 (Ma) – Unemployment compensation: disability benefits: payment of benefits.**

Would delete the requirement to include the following statement on payments of unemployment compensation and disability benefits: "State unemployment insurance benefits under the California Unemployment Insurance Code are paid for by employers." Also, the bill would authorize the Employment Development Department to pay state disability benefits by means of electronic technology including the use of benefit cards.

*Status: In the Assembly Insurance Committee.*

**AB 389 (Saldana) – Long-term care insurance.**

Modifies the reasonable expected loss ratio of previously issued long-term care insurance policies if the insurer files a rate revision after January 1, 2010. Requires the actuaries who are employees of the DOI and who review rate applications regarding long-term care insurance to be members in good standing of the American Society of Actuaries.

*Status: Chapter 101, Statutes of 2009.*



**AB 409 (Garrick) – California Insurance Guarantee Association: insurer insolvency.**

Revises the California Insurance Guarantee Association law to clarify that assessments to pay claims of insolvent insurers shall be based upon a uniform percentage applied to the share of direct written premium of participating insurers for the base year, as that share is initially determined from the insurers' first annual Financial Statement filing following the base year, and then as updated yearly from subsequent annual Financial Statement filings. This method conforms to that used since the program's 1982 inception.

*Status: Chapter 105, Statutes of 2009.*

**AB 470 (Niello) – Insurance information; confidentiality.**

Authorizes an insurance institution, agent, or insurance-support organization to disclose information to an insured's lawyer from an accident report, supplemental report, investigative report or the actual report from a governmental agency which the insured is entitled to obtain under specified provisions of the Vehicle Code or Government Code.

*Status: Chapter 112, Statutes of 2009.*

**AB 483 (Buchanan) – Workers' compensation: Internet Websites.**

Requires the Workers' Compensation Insurance Rating Bureau to establish an internet website that identifies whether an employer is insured for workers' compensation.

*Status: Chapter 241, Statutes of 2009.*

**AB 493 (Tran) – Employment and Benefits Appeals Board.**

Would have eliminated the Workers' Compensation Appeals Board, the California Unemployment Insurance Appeals Board, and the California Occupational Safety and Health Appeals Board, and would have transferred their duties to a new board.

*Status: Failed passage in the Assembly Insurance Committee.*

**AB 516 (Niello) – Workers' compensation: temporary disability.**

Would repeal the minimum level of temporary disability benefits which an injured worker can receive under workers' compensation.

*Status: Failed passage in the Assembly Insurance Committee. Reconsideration granted.*

**AB 586 (Huber) - Workers' compensation: medical conditions: presumptions.**

Would have extended injury presumptions for hernia, cancer, leukemia, heart trouble, pneumonia, blood borne infectious disease, methicillin resistant Staphylococcus aureus skin infection, tuberculosis, and meningitis to members of police departments at the University of California and California State University. Would have extended the injury presumptions for hernia, blood borne infectious disease, or MRSA infection to members of fire departments at UC and CSU. Would have extended the injury presumptions for tuberculosis and meningitis to district police departments.

*Status: Held in the Assembly Appropriations Committee.*

**AB 591 (DeLaTorre) - Insurance: referral fees: health plans and insurance: filings: identifications cards.**

Would have required health care service plans and health insurers to file a copy of each of its plan contracts issued, and a list of health insurance policies with more than 50,000 insureds

issued, to their respective regulating agencies annually. Would have required health care service plans and health insurers, if they issue identification cards, to identify on the card their respective state regulating agencies and provide a phone number where the departments may be reached. Would have increased the maximum fine for violating the prohibition on unlawful referrals for compensation in relation to auto insurance claims from \$1,000 to \$5,000.

*Status: Held in the Senate Appropriations Committee.*

**AB 601 (Garrick) -- Motor vehicle insurance: special assessments.**

Extends the sunset date on a 30 cent fee per vehicle insured in California until January 1, 2015. This fee supports a variety of consumer protection functions of the Department of Insurance, as well as public outreach concerning California's low-cost automobile insurance program.

*Status: Chapter 247, Statutes of 2009.*

**AB 615 (Niello) – Workers' compensation.**

Would require an employer to provide a claim form and a notice of potential eligibility for workers' compensation benefits within one working day of receiving notice or knowledge of an employee's injury that results in lost time beyond the employee's work shift at the time of injury or that results in medical treatment beyond first aid. Would also define the term "first aid."

*Status: In the Assembly Insurance Committee.*

**AB 664 (Skinner) – Workers' compensation. Hospital employees: presumption.**

Would have established several workers' compensation presumptions for more than 500,000 employees at hospitals statewide, including workers at private and non-profit hospitals. Specifically, this bill would have established a presumption that back or neck injuries and methicillin-resistant *Staphylococcus aureus* (MRSA) infections are job-related during and after a period of employment at a hospital.

*Status: Held in the Assembly Appropriations Committee.*

**AB 679 (Garrick) – Insurance: adverse underwriting decisions.**

Would require an insurance company or agent to provide an applicant or policyholder the reasons for an adverse underwriting decision in writing or to advise him or her orally that he or she has a right to receive the reasons in writing if he or she so requests.

*Status: In the Assembly Insurance Committee.*

**AB 725 (Jones) – Auto insurance: low-cost automobile insurance.**

Would have extended from January 1, 2011, to January 1, 2016, the sunset date on the Low-Cost Automobile Insurance Program, and would have renamed the program as the Martha Escutia and Jackie Speier Low-Cost Automobile Insurance Program.

*Status: Vetoed by the Governor.*

**GOVERNOR'S VETO MESSAGE:**

"While I recognize the need to provide low cost automobile insurance to low income drivers, the effectiveness of this program is questionable given the number of policies in effect and low participation rate amongst the uninsured. Since the law this bill is looking to extend does not expire until January 1, 2011, I encourage the author and sponsor to

take the next year to examine the results of the program and determine if any changes are needed to the program to ensure its success."

**AB 784 (Gaines) – Insurance transactions: nonadmitted insurers.**

Would provide that a nonadmitted insurer that is affiliated with a California domestic insurer shall not be deemed to be transacting insurance in California as long as all California business written by the nonadmitted insurer is transacted by and through a surplus lines broker licensed in California.

*Status: In the Assembly Insurance Committee.*

**AB 800 (Duvall) – Insurance omnibus.**

Makes several licensing-related changes in the Insurance Code, including requiring the filing of license applications by means of electronic service and changes needed to increase the conformity of California's insurance laws with the Producer Licensing Model Act of the National Association of Insurance Commissioners.

*Status: Chapter 254, Statutes of 2009.*

**AB 801 (Duvall) – Workers' compensation: individual identifiable information.**

Would authorize the Department of Insurance to access information from the Workers' Compensation Information System for purposes of investigating and prosecuting insurance fraud.

*Status: In the Assembly Insurance Committee.*

**AB 802 (Duvall) – Insurance fraud: release of information: other unlawful activity.**

Would require insurers to release to specified government agencies any unlawful activity uncovered in the course of an insurance fraud investigation, when requested.

*Status: In the Senate Banking, Finance and Insurance Committee.*

**AB 812 (DeLaTorre) – Insurance reports.**

Originally, the bill would have required the Insurance Commissioner (IC) to modify the form and method in which quarterly statements are filed by insurers with the IC. The bill was subsequently amended so that it would require health plans and health insurers to report to the California Department of Managed Health Care and the California Department of Insurance the medical loss ratio for each policy issued amended or renewed in California each year.

*Status: Held in the Assembly Appropriations Committee.*

**AB 816 (Hagman) – Unemployment insurance: Employment Training Fund.**

Would have repealed the express authority of the Legislature to appropriate funds from the Employment Training Fund to finance the local assistance portion of the welfare-to-work activities under the CalWORKS Program.

*Status: Failed passage in the Assembly Insurance Committee. Reconsideration granted.*

**AB 866 (Niello) – California Earthquake Authority.**

Revises the due date of the California Earthquake Authority (CEA) Annual Report from May 1st of each year to August 1st of each year and provides for its publication on the CEA website.

*Status: Chapter 480, Statutes of 2009.*

**AB 879 (Hernandez) – Workers' compensation: self-insurers: financial audits.**

Would require workers' compensation self-insurers to file an annual audited financial statement and an actuarial analysis with the Office of Self-Insurance Programs within the California Department of Industrial Relations. Additionally, these records would be made available to the public.

*Status: In the Senate Banking, Finance and Insurance Committee.*

**AB 933 (Fong) – Workers' compensation: utilization review.**

Would require that a physician who is conducting a utilization review be licensed in California.

*Status: In the Senate Labor and Industrial Relations Committee.*

**AB 948 (Logue) -- Workers' compensation: supplemental job displacement benefits.**

Would provide that a mandatory notice to an injured worker relating to supplemental job displacement benefits can be delayed until such time as work restrictions are known, if these restrictions are not known at the time notice is currently required.

*Status: Failed passage in the Assembly Insurance Committee. Reconsideration granted.*

**AB 954 (Jones) – Insurance Commissioner: regulations.**

Would have required the Department of Insurance to use the Administrative Procedures Act when adopting rules, regulations, or insurance standards recommended by the National Association of Insurance Commissioners, with specified exceptions.

*Status: Held in the Assembly Appropriations Committee.*

**AB 982 (Tran) – Structured settlements: transfers.**

Would clarify several aspects of the sale or transfer of a structured settlement. A structured settlement relates to tort settlements that are converted to an annuity-like product, with periodic payments that may have tax advantages.

*Status: In the Senate Judiciary Committee.*

**AB 989 (Block) – Senior insurance: actions against insurers.**

Would authorize any person who is harmed as a result of a violation of the senior insurance laws to bring a civil action for compensatory damages and any other remedies otherwise provided by law.

*Status: In the Assembly Insurance Committee.*

**AB 1011 (Jones) – Insurance Commissioner.**

Originally, this bill would have required the Insurance Commissioner to annually submit to the Governor and the Legislature an analysis of the accessibility of insurance coverage in each county. This bill was later amended to address the availability of environmentally-friendly insurance products.

*Status: In the Senate Rules Committee.*

**AB 1051 (Fletcher) – Veterans: Pooled Self-Insurance Fund.**

Consolidates the Department of Veterans Affairs Home Loan Program's (Program) four insurance reserve funds into the Pooled Self-Insurance Fund (Pooled Fund), and allows the VA

to purchase insurance related to the Program from the monies appropriated from the Pooled Fund. Also maintains the four reserve funds as sub-funds within the Pooled Fund and requires that any internal sub-fund borrowing be repaid in full within three years. In addition, the bill requires the VA to report annually to the Legislature on the status of the Pooled Fund and that the sub-funds be subject to audit.

*Status: Chapter 502, Statutes of 2009.*

**AB 1054 (Coto) – Motor vehicle insurance: rates.**

Would specify that no retrospective adjustment of an approved rate may be ordered by a court if the insurer has complied with the rate approval order of the Insurance Commissioner, and would provide that credit card expenses incurred by an insurer are not part of an "efficiency standard" adopted by the Insurance Commissioner for rate making purposes.

*Status: In the Assembly Judiciary Committee.*

**AB 1093 (Yamada) – Workers' compensation.**

Provides that a "personal relationship" or "personal connection" is not established, for purposes of defeating a claim for workers' compensation benefits, based solely on a third-party aggressor's beliefs regarding race, religious creed, color, national origin, age, gender, disability, sex, or sexual orientation where the employee-victim is believed by the third-party to be a member of one of the protected classes.

*Status: Chapter 272, Statutes of 2009.*

**AB 1117 (Fuentes) – State Compensation Insurance Fund: board.**

Clarifies that a board member of the State Compensation Insurance Fund is not disqualified by virtue of a conflict of interest from considering issues before the board due to the fact that the board member is a policyholder or employee of a policyholder of SCIF.

*Status: Chapter 136, Statutes of 2009.*

**AB 1179 (Jones) – Motor vehicle insurance: damage assessments.**

Modifies the required content of the Auto Body Repair Consumer Bill of Rights, which the Department of Insurance must then incorporate into future editions, to include information informing consumers that they have a right, including when pursuing an insurance claim for repair of that vehicle, to seek and obtain an independent repair estimate directly from a registered auto body repair shop.

*Status: Chapter 141, Statutes of 2009.*

**AB 1200 (Hayashi) – Motor vehicle insurance: damage assessments.**

Allows insurers to provide automobile insurance claimants with specified information regarding the services and benefits available during the claims process.

*Status: Chapter 387, Statutes of 2009.*

**AB 1214 (Nava) – Fire insurance: underwriters' corps: liability.**

Requires personnel retained by an insurance company to protect structures threatened by fire to check in with, and follow the instructions of, the incident commander in charge of fighting the fire.

*Status: Chapter 517, Statutes of 2009.*

**AB 1227 (Feuer) –Workers' compensation: public employees: leaves of absence.**

Extends "4850" leave of absence benefits to a broader range of safety officers.

*Status: Chapter 389, Statutes of 2009.*

**AB 1298 (Coto) – Unemployment Insurance Program.**

Would modify the taxable wage base and the tax rates payable on wages used to finance the Unemployment Fund, as well as increase the income disregard amount. Specifically, the bill would increase the taxable wage base from \$7,000 to \$16,600 per employee per year, set the top tax rate at 7.5% rather than 5.4%, and increase the amount that a part-time worker (who is also partially unemployed) may earn to \$200 rather than \$25 per week, without a reduction in unemployment benefits.

*Status: In the Assembly Insurance Committee.*

**AB 1413 (Coto) – Fire insurance coverage.**

Would provide that a policyholder is entitled to recover the extended or guaranteed replacement amount from an insurer after a total loss regardless of whether the homeowner rebuilds the home on the same site or a new location.

*Status: In the Senate Banking, Finance and Insurance Committee.*

**AB 1447 (John A. Perez) – State Compensation Insurance Fund: audits.**

Would have declared the State Compensation Insurance Fund to be a state agency for purposes of authorizing the Bureau of State Audits to conduct financial and performance audits of SCIF, and would have required SCIF to include a specific disclaimer in any advertising.

*Status: Vetoed by the Governor.*

**GOVERNOR'S VETO MESSAGE:**

"This bill would clarify that the State Compensation Insurance Fund (SCIF) is a state agency for purposes of the Bureau of State Audits (BSA) and its audit, evaluation, and investigatory jurisdiction and would impose a requirement that all SCIF advertising include a disclaimer indicating it is self-supported and not funded by the State of California.

This bill is unnecessary. Insurance Code ?11873(b) already explicitly provides that SCIF is subject to audits by the State Auditor. Furthermore, the BSA has performed audits of SCIF several times in the past three years."

**AB 1521 (Jones) –Health care coverage: solicitation.**

Would have prohibited the variation of compensation a health care service plan or a health insurer pays to a solicitor or agent for the sale or offer of, or application for, an individual health plan contract or insurance policy that would have depended on the health status, claims experience, industry, or occupation of the individual.

*Status: Held in the Senate Appropriations Committee.*

**AB 1564 (Committee on Insurance) – Workers' compensation.**

Would delete the provision providing that the labor-management agreement may include a vocational rehabilitation or retraining program and would make conforming changes.

*Status: In the Assembly Insurance Committee.*

**AB 1565 (Ruskin) – Income and corporation taxes: credits: research.**

Originally, this Insurance Committee bill proposed to make minor, non-controversial changes to the Insurance Code. It was subsequently amended and now would provide for a research and development tax credit, as specified.

*Status: In the Senate Revenue and Taxation.*

**AJR 1 (Blakeslee) – Earthquake damage: mitigation planning.**

The resolution states that the Legislature supports the expedient development of mitigation efforts across the state by federal, state, and local governmental entities, in cooperation with private enterprises and individuals, to protect against earthquake damage.

*Status: Resolution Chapter 64, Statutes of 2009.*

**SPECIAL SESSION**

**AB X3 23 (Coto) – Unemployment insurance: extended benefits.**

Establishes eligibility for an additional 20 weeks of federally-funded extended unemployment insurance benefits. This bill conforms state law to federal law so that 469,000 unemployed Californians can qualify to receive up to \$3 billion in federal unemployment funds in 2009.

*Status: Chapter 22, Statutes of 2009.*

**AB X3 29 (Coto) – Unemployment insurance.**

Establishes an "alternative base period" that allows recent earnings to be counted toward eligibility for unemployment insurance (UI). This change will result in California receiving \$839 million in federal stimulus funds to pay for UI benefits. This change will qualify an additional 30,000 unemployed people in California to receive \$50 million to \$70 million in UI benefits each year.

*Status: Chapter 23, Statutes of 2009.*

**SENATE BILLS**

**SB 98 (Calderon) -- Life insurance: life settlement contracts.**

Requires the licensing of persons who transact life settlement contracts, makes it unlawful to issue or market the purchase of a new life insurance policy for the purpose of settling the policy, generally prohibits individuals from entering into a life settlement during the initial two years of a policy, authorizes the Insurance Commissioner to disapprove life settlement forms, requires specified disclosures to consumers including a notice of possible alternatives to life settlements, and prohibits predatory practices such as false and misleading statements.

*Status: Chapter 343, Statutes of 2009.*

**SB 119 (Wyland) – Professional liability insurance: insurers: bad faith.**

Extends the sunset date on a law that provides immunity from liability for insurers that issue professional liability insurance to health care providers for statements made in the notice of nonrenewal.

*Status: Chapter 30, Statutes of 2009.*

**SB 145 (DeSaulnier) –Workers' compensation.**

Would prohibit discrimination on the basis of specified protected classes for purposes of apportioning permanent disability, and would clarify the law governing compensability where criminal violence is committed against an employee in the workplace.

*Status: On the Assembly inactive file.*

**SB 156 (Wright) – Insurance: fraud prevention and detection.**

Would authorize the Insurance Commissioner to convene meetings with representatives of insurers to discuss suspected or completed acts of insurance fraud.

*Status: Returned to the Assembly Desk.*

**SB 186 (DeSaulnier) –Workers' compensation: medical treatment: predesignation of physician.**

Removes the sunset date on the law that authorizes a worker to predesignate his or her personal treating physician as the treating physician in the event of a workplace injury.

*Status: Chapter 565, Statutes of 2009.*

**SB 291 (Calderon) – Insurance reserves.**

Authorizes a mortgage guaranty insurer to request a waiver from the Insurance Commissioner of a statutory formula that requires the insurer to cease writing new business if a bright-line statutory ratio is crossed.

*Status: Chapter 574, Statutes of 2009.*

**SB 313 (DeSaulnier) –Workers' compensation: penalty assessments.**

Would increase the per-employee penalty for the lack of workers' compensation coverage from \$1,000 to \$1,500; require the Director of the Department of Industrial Relations to issue a penalty assessment order; and restructure the laws governing penalties to be assessed on employers that do not comply with the law mandating that every employer provide, either through insurance or an approved self-insurance program, workers' compensation benefits for its employees.

*Status: Chapter 640, Statutes of 2009.*

**SB 396 (Calderon) –Insurance Commissioner: reports.**

Would have required an existing report on agent licensure activity (within the Department of Insurance's Annual Report) to include information on the number of first-time examinees who passed the exam and their overall pass rate by category of license and also the total number of examinations and mean examination score for all examinees by license category. If the overall pass rate is less than 65 percent for a specific license category then the Insurance Commissioner would have calculated the pass rate of examinees by demographic information including ethnicity/race, gender, and level of education.



*Status: Vetoed by the Governor.*

**GOVERNOR'S VETO MESSAGE:**

"This bill is unnecessary. The Insurance Commissioner has the ability to report the information required in this bill under current law."

**SB 397 (Calderon) –Life insurance.**

Would have exempted the sale of certain life insurance policies for funeral and burial expenses from the requirement that the agent provide the senior with a notice at least 24 hours prior to their initial meeting, provided that certain disclosures are made, and further provided that the consumer receives an extended "free-look" period.

*Status: Vetoed by the Governor.*

**GOVERNOR'S VETO MESSAGE:**

"During the previous two legislative sessions, I have vetoed similar legislation that would have granted an exemption from the current requirement that seniors be given 24-hour notice in advance of any attempt to meet in a senior's home to discuss the sale of a burial or funeral policy. I stated my belief that this notice requirement creates an important "bright line" test that insurance agents know not to cross and is a sound consumer protection practice.

Although this measure provides additional notice requirements to attempt to protect against fraud, I remain unconvinced of the need to deviate from the current 24-hour notice requirement. Asking an agent to wait one day before meeting in someone's home is a minor request in order to protect seniors against fraud."

**SB 683 (Calderon) – Workers' compensation: group self-insurers: audits.**

Would require each group self-insurer to annually file with the Director of the Office of Self Insured Plans an annual audit of the financial accounts and records of the group self-insurer by an independent, certified public accountant. The annual audit would be made available to the Director. No individual group self insured member's audited financial or claim information would be included in this disclosure to the guarantee fund or be made available to the public.

*Status: In the Assembly Insurance Committee.*