

2000

1999-2000 Legislative Summary

Assembly Committee on Insurance

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GOLDEN GATE UNIVERSITY

CALIFORNIA STATE LEGISLATURE

**ASSEMBLY COMMITTEE ON INSURANCE
1999-2000 LEGISLATIVE SUMMARY**

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GOLDEN GATE UNIVERSITY

October 10, 2000

To All Interested Parties:

The following summary of legislation lists all of the bills that came before the Assembly Insurance during the 1999-2000 legislative years. Each is organized in numerical order and indicates the final result for each bill. The summary of each bill is not intended as a definitive or comprehensive statement of the provisions of the bill. Rather, it is intended to provide general information to the reader of the subject that the bill addresses. For more detailed information about any bill, please go to the Assembly's web page at www.assembly.ca.gov and click on "Legislation."

In addition to policy hearings on insurance legislation, the Assembly Insurance Committee conducted extensive oversight hearings on the Department of Insurance. The report of the committee findings and recommendations entitled *Final Report on Department of Insurance Enforcement Practices and Priorities* is available on the Assembly Insurance Committee web page at www.assembly.ca.gov and click on "Committees."

For additional information regarding this summary or other activities of the committee, please contact the committee staff at (916) 319-2086.

Respectfully,



Jack Scott, Chair



Ken Maddox, Vice Chair

ASSEMBLY INSURANCE COMMITTEE
1999-2000
Legislative Summary

- AB 70 (Cunneen) Deems an individual an independent contractor, unless the employer has no reasonable basis for treating the employee as one, under specified employment-related conditions. *[Died pursuant to Art. IV, Sec. 10(c) of the Constitution]*
- AB 224 (Knox) Extends the leave-of-absence in lieu of temporary disability benefit for injured peace officers to Los Angeles County public safety officers. *[Chapter 270 / 1999]*
- AB 279 (Wayne) Increases the penalty for an employer who fails to provide workers' compensation coverage from a misdemeanor punishable by up to six months in jail and \$1,000 fine to a misdemeanor punishable up to 1 year and \$10,000. *[Chapter 553 / 1999]*
- AB 329 (Scott) Limits circumstances under which a liability insurer may compensate those who review bills submitted by law firms defending insureds. *[Chapter 883 / 1999]*
- AB 374 (Cunneen) Requires the insurance commissioner to adopt regulations to establish minimum standards for the use of electronic commerce in the insurance industry. *[Not enacted]*
- AB 393 (Scott) Prohibits a person from acting in the capacity, or from soliciting, negotiating, or effecting contracts of insurance, unless the person holds a valid license authorizing the person to act in that capacity. Establishes two categories of limited license: personal lines agent and credit insurance agent. *[Chapter 321 / 2000]*

- AB 413 (Brewer) Permits special lines' surplus lines brokers to be referred to as special lines brokers. [*Died pursuant to Art. IV, Sec. 10(c) of the Constitution*]
- AB 426 (Scott) Requires the appeals board to adopt rules requiring the filing of documents with the appeals board by electronic means, and would provide that a document that is filed electronically is the equivalent of an original, written document. [*Died pursuant to Art. IV, Sec. 10(c) of the Constitution*]
- AB 427 (Scott) Clarifies that existing law prohibiting state agencies from employing legal counsel other than the Attorney General without the Attorney General's consent applies not only to state agencies, but also to state officers and commissioners. Requires the chief executive officer of the Department of Insurance Conservation and Liquidation Office to be confirmed by the Senate. [*Chapter 768 / 1999*]
- AB 474 (Floyd) Reinstates penalties against uninsured employers fund for unreasonable delay in the payment of award and adds related provisions. [*Died pursuant to Art. IV, Sec. 10(c) of the Constitution*]
- AB 478 (Cox) Defines surplus line broker certificate and exempts these certificates from requirements related to certificates used to verify insurance coverage. [*Chapter 255 / 1999*]
- AB 481 (Scott) Requires that any settlement agreement related to an alleged violation by an insurer of provisions relating to unfair methods of competition and unfair and deceptive acts or practices in the business of insurance, the Insurance Commissioner shall give first priority to policyholders and may provide for remediation, payment to policyholders, or both of these remedies. [*Vetoed*]
- AB 509 (Calderon) Specifies that auto lubricant warranties are not automobile insurance as long as the there is no separate charge and the

manufacturer makes certain disclosures to the consumer.
[Chapter 238 / 1999]

- AB 539 (Papan) Deletes the requirement that a firefighter or peace officer prove a reasonable link between a carcinogen and the disabling cancer before the cancer is presumed compensable under the workers' compensation system. [Chapter 595 / 1999]
- AB 548 (Oller) Provides that 2 or more insurance policies whose experience is combined for any purpose, other than solely for determining dividends, shall be considered group insurance, as specified. [Died pursuant to Art. IV, Sec. 10(c) of the Constitution]
- AB 586 (Brewer) Authorizes a dispute resolution process agreement between a private employer or group of employers engaged in manufacturing and a recognized union similar to collective bargaining agreements authorized in the construction industry. [Died pursuant to Art. IV, Sec. 10(c) of the Constitution]
- AB 600 (Knox) Enacts the Holocaust Victim Insurance Relief Act of 1999. [Chapter 827 / 1999]
- AB 605 (Margett) Reduces the number of reports and frequency of assessments paid by employers who cover employees through a voluntary disability plan. [Not enacted]
- AB 733 (Cox) Increases the insurer assessment from \$1 to \$2 per insured vehicle to increase enforcement efforts to combat automobile insurance fraud. [Not enacted]
- AB 775 (Calderon) Requires utilization review or prior authorization services to be available during specified hours of each normal business day, and requires physician notice on contested, denied, or incomplete billings. [Chapter 124 / 1999]
- AB 776 (Calderon) Requires the appointment of qualified medical evaluators for the evaluation of medical-legal issues. [Chapter 54 / 2000]

- AB 802 (Dutra) Requires insurance policies to disclose periodic finance charges. [*Chapter 388 / 1999*]
- AB 834 (Cardoza) Creates an alternate felony / misdemeanor for producing, supplying or selling false or forged proof of automobile insurance documents. Creates a misdemeanor for possessing or presenting counterfeit proof of insurance documents. [*Not enacted*]
- AB 845 (Maddox) Grants the insurance commissioner power to issue cease and desist orders to unlicensed insurance agents or brokers. [*Chapter 260 / 1999*]
- AB 874 (Alquist) Authorizes employers that are members of a controlled group, or a majority of their employees, to elect to participate in a joint, voluntary plan of disability insurance. [*Not enacted*]
- AB 905 (Dutra) Increases the allowable total indebtedness on which mortgage guarantee insurance may be written to 100% of the fair market value of the real estate security. [*Chapter 10 / 2000*]
- AB 959 (Scott) Provides that an insurer may not use credit reports or credit scoring models, computer based or manual, to underwrite, classify, or rate insurance risks. [*Died pursuant to Art. IV, Sec. 10(c) of the Constitution*]
- AB 964 (Aroner) Requires the California Earthquake Authority (CEA) to issue a report on the CEA retrofit program and establish a plan to expand the program statewide. This bill also changes the requirements for participation in the authority. [*Chapter 715 / 1999*]
- AB 976 (Cardoza) Enacts an optional low cost auto insurance policy with limited liability coverage for individuals with an annual income at or below 150% of the federal poverty level. [*Not enacted*]

- AB 1050 (Wright) Establishes the Organized Crime Prevention and Victim Protection Act of 1999, which increases auto insurance anti-fraud funding, targets fraud control activities, and makes other reforms related to insurance fraud. [*Chapter 885 / 1999*]
- AB 1081 (Calderon) Deletes the sunset on the law that governs exceptions to when a nonadmitted insurer must post a pre-answer bond. [*Chapter 498 / 1999*]
- AB 1086 (Calderon) Makes various revisions to provisions governing selection of qualified medical evaluators, and related attorney representation, as specified. [*Died pursuant to Art. IV, Sec. 10(c) of the Constitution*]
- AB 1124 (Havice) Extends the leave-of-absence in lieu of temporary disability to custody assistants employed on a regular, full-time basis by a county of the first class. [*Vetoed*]
- AB 1162 (Washington) Entitles a pregnant woman to disability benefits for period of 10 weeks. [*Not enacted*]
- AB 1185 (Baugh) Permits an acupuncturist to determine workers' compensation disability and requires that an acupuncturist, appointed by the Senate Rules Committee, serve on the Industrial Medical Council. [*Not enacted*]
- AB 1252 (Wildman) Increases the number of doctors required to serve on the Industrial Medical Council and requires that a podiatrist and an acupuncturist serve on the Industrial Medical Council. This bill also increases the biennial renewal fee for practicing podiatric medicine from \$800 to \$900. [*Chapter 977 / 1999*]
- AB 1267 (Baugh) Prohibits a public agency that requires proof of workers' compensation insurance from disallowing or considering a bidder's proposal based on the bidder's insurance carrier. [*Died pursuant to Art. IV, Sec. 10(c) of the Constitution*]

- AB 1288 (Davis) Requires licensed contractors to carry liability insurance in the amount of \$1 million per occurrence. [*Not enacted*]
- AB 1309 (Scott) Allows self-insured public employers to discharge workers' compensation obligations by purchasing a special excess workers' compensation policy. Clarifies and modifies provisions of SB 1237 (Escutia), which creates a qualified right for a third party to commence an action against an insurer for unfair claims practices. [*Chapter 721 / 1999*]
- AB 1329 (Cox) Requires the administrative director of the Division of Workers' Compensation to review and revise the permanent disability schedule. [*Not enacted*]
- AB 1343 (Floyd) Provides for payment of attorney fees at the outset of specified payments of workers' compensation benefits for subsequent injuries. [*Vetoed*]
- AB 1350 (Rod Pacheco) Permits, rather than requires, a workers' compensation award to be increased by 10% in the case of unreasonable delay of payment. [*Died pursuant to Art. IV, Sec. 10(c) of the Constitution*]
- AB 1374 (Granlund) Extends application of the cancer presumption to additional peace officer categories, and eliminates the requirement that the officers be primarily engaged in law enforcement activities. [*Not enacted*]
- AB 1387 (Florez) Extends the leave-of-absence in lieu of temporary disability benefit for injured public safety employees to injured probation safety employees. [*Chapter 970 / 1999*]
- AB 1432 (Oller) Permits a insurer premium tax credit equal to the amount that would be due on premium paid by previously uninsured motorists who participate in either of the two Low-Cost Automobile Insurance Pilot Programs; clarifies that a corporate officer of a

foreign insurer can accept service of process in this state.
[Chapter 808 / 1999]

- AB 1453 (Ins. Comm.) Extends the Department of Insurance Earthquake Retrofit Grants and Loan and Earthquake Mediation programs. [Chapter 796 / 1999]
- AB 1454 (Ins. Comm.) Requires a lender to disclose to a borrower using real property to secure the loan that the lender may not require the borrower to carry hazard insurance coverage on the collateral property in an amount exceeding the replacement value of the improvements on the property. [Chapter 412 / 1999]
- AB 1455 (Scott) Prohibits a health care service plan from engaging in an unfair payment pattern, as defined, in its reimbursement of a provider and would authorize the director to investigate a report of this conduct, and permits a provider to report this conduct to the Department of Managed Health Care. [Chapter 827 / 2000]
- AB 1456 (Scott) Establishes a standard of a target 60% loss ratio for credit insurance rates and applies the target loss ratio to all lines of credit insurance, including life, disability, unemployment and property. [Chapter 413 / 1999]
- AB 1465 (Machado) Extends public insurance adjuster licensing requirements to any firm or service provider hired to repair damages that offers specified services related to a policyholder loss; extends public insurance adjuster solicitation limitations to any person or firm that provides services related to a loss-producing event covered by insurance, and extends the sunset date on multiple employer welfare arrangements. [Chapter 317 / 1999]
- AB 1778 (Lowenthal) Requires the repair dealer to include in the written invoice a notice of whether any crash parts are original equipment manufacturer or nonoriginal equipment manufacturer aftermarket crash parts. [Chapter 336 / 2000]

- AB 1844 (Washington) Requires a postdelivery disability period of a specified length for a woman, otherwise eligible for disability benefits, who, for a normal pregnancy, was granted less than 4 weeks of disability prior to her expected delivery date. This bill prohibits this provision from being relied upon as legal authority for any interpretation of provisions relating to a leave of absence of pregnancy. *[Not enacted]*
- AB 1848 (Maddox) Provides that the department shall not prohibit an insurer from inspecting a motor vehicle prior to issuing collision or comprehensive coverage for the vehicle. Requires an insurer conducting these inspections to inspect every motor vehicle for which coverage is requested except new motor vehicles and motor vehicles previously insured. *[Chapter 210 / 2000]*
- AB 1883 (Lowenthal) Extends the leave of absence in lieu of temporary disability benefit to specified airport law enforcement officers, harbor and port police officers, wardens, and special officers; also incorporates additional changes in Section 4850 of the Labor Code. *[Chapter 920 / 2000]*
- AB 1904 (Runner) Requires the Director of the Employment Development Department, in each calendar year on the last day in April and on the last day in October, to provide a financial forecast for a specified period with respect to amounts to be deposited in, and allocated from, the Disability Fund. This bill would require this forecast to be a public record and would require the forecast to include all information used by the Director of Employment Development in calculating workers contribution rates as required by law. *[Vetoed]*
- AB 1979 (Wesson) Exempts a contract of reinsurance from the requirement to include on a claim form a statement indicating that it is a crime to knowingly make false or fraudulent claims for the payment of a loss. *[Chapter 470 / 2000]*

- AB 1983 (Kuehl) Provides that if the reason for imposing a brush hazard surcharge under a FAIR Plan policy is solely because an adjacent property owner is not in compliance with specified brush clearance requirements, the brush surcharge shall instead be imposed on the policy of that adjacent property owner, as specified. *[Chapter 323 / 2000]*
- AB 2022 (Knox) Provides that, for purposes of the required statement regarding restrictive covenants, a title insurance company includes an underwritten title company, a title insurer; and a controlled escrow company, as defined in the Insurance Code. *[Not enacted]*
- AB 2043 (Maddox) Provides that for the purpose of workers' compensation in the case of certain local firefighting and law enforcement personnel, the term "injury" also includes meningitis that develops or manifests itself during a period while the person is in that service. *[Chapter 883 / 2000]*
- AB 2089 (Wright) Creates the California Insurer Investment Program Fund, and would provide for money invested in the fund by participating insurers to be available for investment on a pooled basis by an investment committee through the California Organized Investment Network (COIN) in the Department of Insurance. This bill provides for investment of these funds in various qualified community development activities and projects. *[Not enacted]*
- AB 2107 (Scott) Requires life agents to make specific disclosures regarding annuity products offered or sold based on their treatment under the Medi-Cal programs; imposes the duty of honesty, good faith, and fair dealing on insurers, brokers, agents, and others engaged in the business of Medicare supplemental insurance and long-term care insurance with respect to prospective policyholders; clarifies elder abuse statutes. *[Chapter 442 / 2000]*

- AB 2178 (Knox) Eliminates the requirement that loss control consultation services be certified by the Director of Industrial Relations, and further eliminates the requirement that insurers submit an annual health and safety loss control plan to the director for identifying employers with the greatest workers' losses and hazards. *[Not enacted]*
- AB 2215 (Ashburn) Provides that searches relating to the title to real or personal property, preparing title searches, and transacting matters subsequent to the execution of the title policy shall include, for title insurance purposes, the search of public records that set forth the boundaries of zones, districts, maps, or other delineated area created by a governmental agency that affect real property. *[Not enacted]*
- AB 2251 (Cox) Requires any person who is licensed as an insurance agent or broker or an insurer that maintains a certificate of authority to transact insurance in this state, and advertises for the sale of insurance on the Internet and transacts insurance in this state, to provide on the Internet specified identifying information, including a specified identification number or an insurance license number or certificate of authority number. Specifies that advertising insurance on the Internet is transacting insurance in this state. *[Chapter 211 / 2000]*
- AB 2297 (Calderon) Requires an insurer, if the premium rate charges on a workers' compensation policy is to be increased by 25% or more, to provide the policyholder with written notice of a renewal offer not less than 30 days before the policy renewal date. The bill would define the term "premium rate" for purposes of the renewal notification requirements. *[Chapter 884 / 2000]*
- AB 2477 (Wiggins) Provides for an alternative calculation for the base period used to establish workers' compensation eligibility and sets forth the base period for any new claim filed on and after January 1, 2001, if an individual has not been paid sufficient wages to establish a benefit year, as specified. *[Vetoed]*

- AB 2543 (Brewer) Repeals the existing exception that permits medical information disclosure of the diagnosis of an injured worker's injury for which workers' compensation is claimed if the information would affect the employer's premium. Also, permits medical information about an employee who has filed a workers' compensation claim to be disclosed to an employer if the employee authorizes the release, or the employer faces an uninsured liability or the potential of an uninsured liability. *[Not enacted]*
- AB 2639 (Calderon) Requires an application for insurance submitted by an insurance broker to show that the person is acting as an insurance broker, and makes a presumption, for licensing purposes only, that the person is so acting if certain conditions exist. *[Chapter 1074 / 2000]*
- AB 2737 (Margett) Specifies that an individual is properly classified as an independent contractor, rather than an employee, if that classification is indicated by at least 11 of 20 specified criteria. *[Not enacted]*
- AB 2815 (Kuehl) Permits the state, the trustees of California State University, and the Joint Rules Committee of the Legislature to elect to become employers whose employees are eligible for payment of disability benefits from the Unemployment Compensation Disability Fund. *[Vetoed]*
- AB 2904 (Insurance) Provides that a person who meets the income requirements and who claims that he or she meets the licensing and driving experience requirements of the low-cost auto insurance pilot program based on experience obtained outside the United States or Canada shall be entitled to a rebuttable presumption that he or she is qualified to purchase a policy under the pilot program if he or she has been licensed to drive in the United States or Canada for at least the previous 18 months. *[Chapter 1033 / 2000]*

- AB 2905 (Insurance) Allows surety companies to maintain bail licensee reserve funds in additional account forms, including those consisting of guaranteed United States government bonds or securities or money market funds meeting specified criteria. *[Chapter 141 / 2000]*
- AB 2906 (Insurance) Modifies the unemployment or disability compensation benefit overpayment obligations, provision to allow an offset against a personal income tax refund of an unemployment or disability overpayment if two consecutive payments under a reimbursement agreement are delinquent at any time; makes technical changes to retraining benefits provisions. *[Chapter 299 / 2000]*
- AJR 67 (Papan) Urges the Congress of the United States to direct the Federal Emergency Management Agency not to proceed with its proposed public assistance insurance requirements, or to modify its proposed regulations, as specified. *[Chapter 129 / 2000]*

INSURANCE COMMITTEE'S 1999-2000 SENATE BILLS

- SB 32 (Peace) Provides for the purpose of workers' compensation that in cases of certain state and local firefighting and law enforcement personnel, the term "injury" includes various medical conditions that are developed or manifested during a period while the member is in the service of the office, staff, department, or unit, and establishes a disputable presumption in this regard. *[Chapter 490 / 2000]*
- SB 77 (Murray) Enacts the Cliff Ojala Death Benefits Act, which extends the statute of limitations for claims for workers' compensation death benefits in the case of the death of health care and specific public safety workers from HIV-related disease. *[Chapter 358 / 1999]*

- SB 171 (Escutia) Establishes the County of Los Angeles Low-Cost Automobile Insurance Pilot Program to offer until January 1, 2004, a low-cost automobile insurance policy for low income drivers. *[Chapter 794 / 1999]*
- SB 239 (Perata) Authorizes the establishment of a nonprofit public benefit corporation to be known as the California Jockey Injury Compensation Fund, responsible for securing workers' compensation insurance coverage on a blanket basis on behalf of all licensed trainers for the benefit of all jockeys, apprentice jockeys, exercise riders, and pony riders licensed by the California Horse Race Board and performing services as a facility recognized and approved by the California Horse Racing Board. *[Not enacted]*
- SB 249 (Johannessen) Requires a study of the life and disability coverage provided for Cal-Vet farm and home purchasers. *[Chapter 472 / 1999]*
- SB 320 (Solis) Increases workers' compensation benefits and makes changes in the administration of the workers' compensation system. *[Vetoed]*
- SB 363 (Figueroa) Requires automobile insurance policies to cover replacement of child safety seats involved in accidents. *[Chapter 183 / 1999]*
- SB 374 (Lewis) Provides for a demutualization option for mutual life insurers; revises the categories of claims to be paid against insolvent insurers; authorizes the Insurance Commissioner to adopt rules regarding standards for the valuation of life insurance; and repeals the sunset date on the law regarding marketing life insurance policies. *[Chapter 868 / 1999]*
- SB 423 (Johnston) Authorizes a life insurer to deliver or issue for delivery variable contracts or riders to variable contracts containing guaranteed living benefits, as defined, under certain conditions. *[Chapter 694 / 2000]*

- SB 439 (Poochigian) Makes technical, non-substantive changes to prelicensing and continuing education requirements applicable to insurance agents. [*Chapter 186 / 1999*]
- SB 475 (Dunn) Requires the Insurance Commissioner to prepare a rate guide for long-term care insurance. [*Chapter 669 / 1999*]
- SB 527 (Speier) Establishes the City and County of San Francisco Low-Cost Automobile Insurance Pilot Program for the County of San Francisco to offer until January 1, 2004, a low-cost automobile insurance policy for low income drivers. [*Chapter 807 / 1999*]
- SB 546 (Solis) Increases Unemployment Insurance Benefits effective January 1, 2001 to a maximum of \$300 per week, increasing to a maximum weekly benefit of \$340 January 1, 2002 and finally increasing to a maximum of \$380 per week on January 1, 2003. [*Vetoed*]
- SB 622 (Speier) Codifies the "inception of loss" and "equitable tolling" doctrines set forth by the California Supreme Court in Prudential-LLMI Commercial Insurance v. Superior Court (1990) 51 Cal. 3d 674, and state that for these purposes the bill is declaratory of existing law. This bill would state that it is not intended to codify any other holding in that case. [*Not enacted*]
- SB 641 (Lewis) Extends to foreign (out-of-state) title insurers provisions of law applicable to domestic (in-state) title insurers and modifies standards for the investment of funds held in a title insurer's unearned premium reserve. [*Chapter 187 / 1999*]
- SB 652 (Speier) Deletes the January 1, 2000 sunset date on the requirement that a person show proof of insurance or other financial responsibility when renewing registration of a vehicle. Provides that, in the event that the low cost auto insurance pilot in San Francisco and Los Angeles Counties expires, then the law requiring proof of insurance upon vehicle registration would also expire in those counties. [*Chapter 880 / 1999*]

- SB 656 (Solis) Increases the maximum weekly state disability insurance benefit and requires the Employment Development Department to conduct a study on extending benefits to individuals on unpaid family care and medical leave. [*Chapter 973 / 1999*]
- SB 717 (Peace) Creates the Workers' Compensation Administration Revolving Fund to support the Division of Workers' Compensation and establishes employer assessments, which constitute 20% of the funding to support Division of Workers' Compensation administration of the workers' compensation system in California. [*Chapter 746 / 1999*]
- SB 737 (Speier) Conforms state law to federal regulations to permit an employee or dependent who has previously declined enrollment to enroll if he or she becomes a dependent through marriage, birth, or adoption. [*Chapter 434 / 1999*]
- SB 749 (Hughes) Creates and establishes fees for a new type of production agency license, called a rental care agent license, which would authorize a rental car company or the franchise of a rental car company, to offer to its customers insurance of an authorized insurer for specified types of insurance, if the insurance is offered by a representative of the licensee who is an endorsee on the license and the insurance is sold as part of a vehicle rental transaction. [*Not enacted*]
- SB 785 (Speier) Expands the law that allows certain employers to elect to return unemployment and disability insurance related amounts on an annual, rather than a quarterly basis, to also apply to withheld amounts of personal income taxes. This bill with respect to wages paid on or after January 1, 2002, prescribes certain deadlines for making the election as so modified, and also prescribes the conditions and procedures for the termination of the election by the employer or the Director of the Employment Development Department. [*Vetoed*]

- SB 870 (Vasconcellos) Reforms the long-term care insurance law with respect to policy benefits, eligibility requirements, and marketing regulation. Requires coverage in either a nursing facility or a residential care facility when the policyholder becomes eligible to draw benefits. [*Chapter 947 / 1999*]
- SB 898 (Dunn) Requires group long-term care insurance policies and certificates to be either guaranteed renewable or non-cancelable. Requires approval of the insurance commissioner before individual or group long-term care insurance may be offered, sold, issued, or delivered in this state, and specifies the duties of insurers and the commissioner in this regard. [*Chapter 812 / 2000*]
- SB 940 (Speier) Makes changes to insurer fees that support the Department of Insurance by eliminating the requirement that all fees be increased by a uniform percentage; levies an additional \$0.50 fee on each automobile insurance policy to fund enhanced anti-fraud activities; adds a \$0.30 fee to fund consumer protection activities. [*Chapter 884 / 1999*]
- SB 941 (Speier) Requires the insurance commissioner to suspend or deny licensure of an insurance agent convicted of specified federal crimes relating to interstate insurance activities. Increases penalties for specified violations of insurance agent licensing laws. [*Chapter 782 / 1999*]
- SB 996 (Johnston) Increases temporary and permanent partial disability workers' compensation benefits; deletes the employer assessment to support the Division of Workers' Compensation; makes various other administrative reforms to the workers' compensation system. [*Vetoed*]
- SB 1011 (Polanco) An urgency measure, extends Unemployment Insurance benefits for workers laid off as a result of the December 1998 Citrus Freeze. [*Chapter 558 / 1999*]

- SB 1017 (Lewis) Repeals the exclusion thereby requiring all applicants for licensure as a fire and casualty broker-agent or a life agent to meet the prelicensing education standards. *[Not enacted]*
- SB 1022 (Johnston) Defines "representative" of an insurer and otherwise clarifies who must provide good driver coverage under Proposition 103. *[Chapter 309 / 1999]*
- SB 1077 (Burton) Amends the Insurance Code governing an insurer's authority to terminate or amend an agency or brokerage contract, and responsibility to provide compensation for, or continue coverage under, a policy subject to contract termination. *[Chapter 753 / 1999]*
- SB 1185 (Johnston) Defines "genetic characteristic" for purposes of the laws prohibiting discrimination based on a medical condition, to mean genetic characteristics associated with specified criteria, and that are presently not associated with any symptoms of any disease or disorder. *[Chapter 311 / 1999]*
- SB 1296 (Polanco) Limits the grounds for nonrenewal of homeowners or auto insurance and extends to all coverage provided by the policy the agreement between the insurer and the insured to exclude a named driver from coverage. *[Chapter 313 / 1999]*
- SB 1297 (Schiff) Repeals prohibition against rebates by reciprocal insurers. *[Chapter 314 / 1999]*
- SB 1303 (Solis) An urgency measure, increases from \$25 to \$200 the amount of earnings that a recipient of Unemployment Insurance may keep before benefits are reduced due to those earnings. *[Chapter 9 / 1999]*
- SB 1317 (Solis) States the intent of the Legislature that the time limits set forth by ratesetting requirements be construed to be mandatory, rather than directory, in nature for unemployment disability insurance: contribution rates. *[Not enacted]*

- SB 1397 (Solis) Excludes certain employees laid off from positions in the classified service of school districts or community college districts from the prohibition on payment of benefits during vacation or holiday periods, as specified. *[Not enacted]*
- SB 1500 (Burton) Requires an order to show cause to specify the reason why the method of competition is alleged to be unfair or the act or practice is alleged to be unfair or deceptive. *[Chapter 280 / 2000]*
- SB 1524 (Figueroa) Prohibits the insurance commissioner from using his or her name, likeness or voice in public outreach efforts funded by proceeds resulting from enforcement actions, and requires public outreach funded by enforcement actions to be germane to the issues raised by these actions. *[Chapter 1089 / 2000]*
- SB 1528 (Hughes) Increases, from 5% to 10% the percentage of the insurer's assets used as one of the bases to measure the amount a domestic insurer is authorized to invest in subsidiaries, and in calculating the amount of these investments, excludes investments made by a domestic insurer in insurance subsidiaries. *[Chapter 170 / 2000]*
- SB 1731 (Lewis) Establishes new statutory rules for the California Assigned Risk Plan responsibilities of auto liability insurers who discontinue selling insurance in California. *[Chapter 175 / 2000]*
- SB 1785 (Figueroa) Permits the Division of Workers' Compensation Administrative Director to authorize data providers to use other nationally recognized standards for the transmission of data in addition to those set forth in the Electronic Data Interchange System. Also permits the Administrative Director to adopt regulations. *[Chapter 318 / 2000]*
- SB 1805 (Escutia) Requires the Insurance Commissioner to make public final market conduct exam reports related to unfair claims

practices; requires the Insurance Commissioner, if he or she suspends or terminates a market conduct examination that includes an examination of claims practices, to send a copy of the complete file to the State Bureau of Audits, and requires the State Auditor to audit the file and make a determination on the propriety of the termination or suspension; specifies that this bill does not require the disclosure of company work papers. *[Chapter 997 / 2000]*

- SB 1820 (Burton) Extends the application of the workers' compensation cancer presumption for peace officers and safety officers provisions to additional categories of peace officers, as specified. *[Chapter 887 / 2000]*
- SB 1925 (Speier) Requires an insurer participating in the California Earthquake Authority to notify an insured of the availability of earthquake coverage in any year in which the insurer is not otherwise required to extend an offer. Upon the request of the insured, that insurer would be required to extend an offer of earthquake coverage within a limited period of time. *[Not enacted]*
- SB 1959 (Lewis) Requires an insurer or reinsurer desiring to purchase reinsurance to notify the commissioner of its intent to do so, and imposes a late fee for a failure to notify the commissioner; requires the commissioner to establish a list of all insurers or reinsurers authorized to purchase reinsurance, as specified. *[Chapter 892 / 2000]*
- SB 1977 (Peace) Permits a physician assistant or nurse practitioner, as specified to complete the Doctor's First Report of Occupational Injury or Illness and to authorize temporary disability, if necessary, for a period not to exceed 3 calendar days. *[Not enacted]*
- SB 1988 (Speier) Requires the insurance fraud bureau to undertake a pilot program under which the bureau would inspect insured vehicles that have undergone auto body repair for the purpose of

identifying work that has not been done according to specifications in the final invoice; requires the pilot program to be completed by June 30, 2003, and requires a report to the Legislature by September 1, 2003. *[Chapter 867 / 2000]*

- SB 2081 (Alarcon) Extends the leave of absence in lieu of temporary workers' compensation disability benefits to peace officers of the Los Angeles Unified School District. *[Chapter 929 / 2000]*
- SB 2107 (Speier) Places restrictions on the use of funds resulting from insurer enforcement actions; prohibits the commissioner from requiring an insurer to contribute to a nonprofit entity or to transfer funds to any fund other than the State Treasury or the Insurance Fund. *[Chapter 1091 / 2000]*
- SB 2111 (Dunn) Revises long-term care insurance, rate guide, data collection provisions by requiring the consumer rate guide to consist of a rate history portion and a policy comparison portion, as specified; requires the premium section of long-term care insurance personal worksheets to include a reference to the consumer rate guide and where a copy may be obtained. *[Chapter 560 / 2000]*
- SB 2156 (Johnston) Specifies that the time period of a tail or extended reporting policy or endorsement issued to permit the reporting of claims after the policy period of a claims made policy is not part of the period of insurance for purposes of defining membership in a mutual insurer; declares that this provision is declaratory of existing law and does not affect any existing contractual rights. *[Chapter 255 / 2000]*
- SB 2168 (Polanco) Prohibits any person or entity that generates, for marketing and sale, natural hazard disclosure statements from providing any commission, fee, consideration, compensation, or inducement to the property transferor's listing or selling agent in exchange for the referral of customers. *[Not enacted]*

SB 2199 (Hayden) Requires the insurance commissioner to request and obtain information from insurers doing business in this state regarding any records of slaveholder insurance policies issued by any predecessor corporation during the slavery era, which policies provided coverage to slaveholders for damage to or death of their slaves. Requires insurers to research and report on these policies, and requires the commissioner to make this information available to the public and Legislature. *[Chapter 934 / 2000]*