

**ASSEMBLY BILL**

**No. 228**

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**Introduced by Assembly Member Fuentes**

February 2, 2011

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An act to amend Section 11873 of the Insurance Code, relating to the State Compensation Insurance Fund.

LEGISLATIVE COUNSEL'S DIGEST

AB 228, as introduced, Fuentes. State Compensation Insurance Fund: employee exemptions.

Existing law creates the State Compensation Insurance Fund administered by a board of directors for the purpose of transacting workers' compensation insurance, insurance against the expense of defending any suit for serious and willful misconduct against an employer or his or her agent, and insurance for employees and other persons for the compensation fixed by the workers' compensation laws for employees and their dependents. Existing law exempts positions funded by the State Compensation Insurance Fund from hiring freezes and staff cutbacks otherwise required by law.

This bill would add furloughs to those employee exemptions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 11873 of the Insurance Code is amended
- 2 to read:
- 3 11873. (a) Except as provided by subdivision (b), the fund
- 4 shall not be subject to the provisions of the Government Code

1 made applicable to state agencies generally or collectively, unless  
2 the section specifically names the fund as an agency to which the  
3 provision applies.

4 (b) The fund shall be subject to the provisions of Chapter 10.3  
5 (commencing with Section 3512) of Division 4 of Title 1 of,  
6 Chapter 3.5 (commencing with Section 6250) of Division 7 of  
7 Title 1 of, Chapter 6.5 (commencing with Section 8543) of Division  
8 1 of Title 2 of, Article 9 (commencing with Section 11120) of  
9 Chapter 1 of Part 1 of Division 3 of Title 2 of, the Government  
10 Code, and Division 5 (commencing with Section 18000) of Title  
11 2 of the Government Code, with the exception of all of the  
12 following provisions of that division:

13 (1) Article 1 (commencing with Section 19820) and Article 2  
14 (commencing with Section 19823) of Chapter 2 of Part 2.6 of  
15 Division 5.

16 (2) Sections 19849.2, 19849.3, 19849.4, and 19849.5.

17 (3) Chapter 4.5 (commencing with Section 19993.1) of Part 2.6  
18 of Division 5.

19 (c) Notwithstanding any provision of the Government Code or  
20 any other provision of law, the positions funded by the State  
21 Compensation Insurance Fund are exempt from any hiring freezes,  
22 *furloughs*, and staff cutbacks otherwise required by law. ~~This~~  
23 ~~subdivision is declaratory of existing law.~~