

AMENDED IN SENATE JUNE 2, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 228

Introduced by Assembly Member Fuentes

February 2, 2011

An act to amend Section ~~44873~~ 11780.5 of the Insurance Code, relating to the State Compensation Insurance Fund.

LEGISLATIVE COUNSEL'S DIGEST

AB 228, as amended, Fuentes. State Compensation Insurance Fund: ~~employee exemptions~~; *out-of-state risks*.

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.~~ Existing law authorizes the fund to insure a California employer against the employer's liability for workers' compensation benefits, under the law of any other state, for California employees temporarily working outside of California on a specific assignment if the fund insures the employer's other employees who work within California.

~~This bill would add furloughs to those employee exemptions.~~

This bill would expand that authorization so that the fund would be authorized to insure an employer whose principal place of business is in California against the employer's liability for workers' compensation

benefits, under the law of any other state, if the fund insured the employees who work within California.

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 11780.5 of the Insurance Code is amended~~
 2 ~~to read:~~

3 ~~11780.5. The fund may also insure a California employer an~~
 4 ~~employer whose principal place of business is in California against~~
 5 ~~his or her liability for workers' compensation benefits, under the~~
 6 ~~law of any other state, for California employees temporarily~~
 7 ~~working outside of California on a specific assignment if the fund~~
 8 ~~insures the employer's other employees who work within~~
 9 ~~California.~~

10 ~~SECTION 1. Section 11873 of the Insurance Code is amended~~
 11 ~~to read:~~

12 ~~11873. (a) Except as provided by subdivision (b), the fund~~
 13 ~~shall not be subject to the provisions of the Government Code~~
 14 ~~made applicable to state agencies generally or collectively, unless~~
 15 ~~the section specifically names the fund as an agency to which the~~
 16 ~~provision applies.~~

17 ~~(b) The fund shall be subject to the provisions of Chapter 10.3~~
 18 ~~(commencing with Section 3512) of Division 4 of Title 1 of,~~
 19 ~~Chapter 3.5 (commencing with Section 6250) of Division 7 of~~
 20 ~~Title 1 of, Chapter 6.5 (commencing with Section 8543) of Division~~
 21 ~~1 of Title 2 of, Article 9 (commencing with Section 11120) of~~
 22 ~~Chapter 1 of Part 1 of Division 3 of Title 2 of, the Government~~
 23 ~~Code, and Division 5 (commencing with Section 18000) of Title~~
 24 ~~2 of the Government Code, with the exception of all of the~~
 25 ~~following provisions of that division:~~

26 ~~(1) Article 1 (commencing with Section 19820) and Article 2~~
 27 ~~(commencing with Section 19823) of Chapter 2 of Part 2.6 of~~
 28 ~~Division 5.~~

29 ~~(2) Sections 19849.2, 19849.3, 19849.4, and 19849.5.~~

30 ~~(3) Chapter 4.5 (commencing with Section 19993.1) of Part 2.6~~
 31 ~~of Division 5.~~

32 ~~(e) Notwithstanding any provision of the Government Code or~~
 33 ~~any other provision of law, the positions funded by the State~~

- 1 ~~Compensation Insurance Fund~~ are exempt from any hiring freezes,
- 2 ~~furloughs, and staff cutbacks otherwise required by law.~~

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