Introduction by Committee on Insurance Assembly Member Perea

March 4, 2013

An act to repeal Sections 77.7, 127.6, and 138.65 of the Labor Code, relating to workers’ compensation; add Section 116273 to the Health and Safety Code, relating to drinking water.

Legislative Counsel’s Digest


The California Safe Drinking Water Act (state act) provides for the operation of public water systems and imposes on the State Department of Public Health various duties and responsibilities. Existing law requires the department to conduct research, studies, and demonstration projects relating to the provision of a dependable, safe supply of drinking water, to adopt regulations to implement the state act, and to enforce provisions of the federal Safe Drinking Water Act.

The Safe Drinking Water State Revolving Fund Law of 1997 establishes the Safe Drinking Water State Revolving Fund to provide grants or revolving fund loans for the design and construction of projects for public water systems that will enable suppliers to meet safe drinking water standards. Under that law, the department is responsible for administering the fund.

This bill would transfer the administration of the fund and the grant and loan program to the State Water Resources Control Board.

Existing law establishes a workers’ compensation system, administered by the Administrative Director of the Division of Workers’
Compensation, to compensate an employee for injuries sustained in the course of his or her employment.

Existing law requires the Commission on Health and Safety and Workers’ Compensation to undertake a specified study examining the causes of the number of insolvencies among workers’ compensation insurers between the calendar years of 1998 and 2008, to be conducted by an independent research organization, and requires the commission and the Department of Industrial Relations, no later than July 1, 2009, to publish the report of the study on its Internet Web site and to inform the Legislature and the Governor of the availability of the report.

Existing law requires the administrative director to begin a study, on or before July 1, 2003, of medical treatment provided to workers who have sustained industrial injuries and illnesses, and to report and make recommendations, based on the results of the study, to the Legislature, on or before July 1, 2004.

Existing law requires the administrative director, after consultation with the Insurance Commissioner, to contract with a qualified organization to study the effects of the 2003 and 2004 legislative reforms on workers’ compensation insurance rates, and requires the administrative director to submit the final study on or before January 1, 2006.

This bill would repeal these workers’ compensation study requirements.


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

SECTION 1. Section 116273 is added to the Health and Safety Code, to read:

116273. (a) The Safe Drinking Water State Revolving Fund, established in Article 1 (commencing with Section 116760) of Chapter 4.5, shall be administered by the State Water Resources Control Board. The fund shall be administered jointly with the Clean Water Revolving Loan Fund.

(b) The State Water Resources Control Board is vested with all of the authority, duties, powers, purposes, responsibilities, and jurisdiction of implementing the grant and loan programs for the Safe Drinking Water State Revolving Fund.

SECTION 1. Section 77.7 of the Labor Code is repealed.
SEC. 2. Section 127.6 of the Labor Code is repealed.

SEC. 3. Section 138.65 of the Labor Code is repealed.