Assembly Bill No. 1394

CHAPTER 309

An act to amend Section 11785 of the Insurance Code, relating to the State Compensation Insurance Fund.

[Approved by Governor September 9, 2013. Filed with Secretary of State September 9, 2013.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1394, Committee on Insurance. State Compensation Insurance Fund: executive appointments.

Existing law provides for the existence of the State Compensation Insurance Fund (SCIF) to be administered by a board of directors for the purpose of transacting workers' compensation insurance, and insurance against the expense of defending any suit for serious and willful misconduct, against an employer or his or her agent, and insurance to employees and other persons of the compensation fixed by the workers' compensation laws for employees and their dependents. Existing law authorizes the board of directors of SCIF to appoint a president, a chief financial officer, a chief operating officer, a chief information technology officer, a chief investment officer, a chief risk officer, and a general counsel.

This bill would additionally authorize the board of directors of SCIF to appoint a chief medical officer, a chief actuarial officer, a chief claims operations officer, and a chief of internal affairs, and make those positions subject to the Milton Marks Postgovernment Employment Restrictions Act of 1990.

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

SECTION 1. Section 11785 of the Insurance Code is amended to read:

11785. (a) The board of directors shall appoint a president, a chief financial officer, a chief operating officer, a chief information technology officer, a chief investment officer, a chief risk officer, a general counsel, a chief medical officer, a chief actuarial officer, a chief claims operations officer, and a chief of internal affairs. The board of directors shall set the salary for each position. These positions shall not be subject to otherwise applicable provisions of the Government Code and the Public Contract Code, and for those purposes the fund shall not be considered a state agency or other public entity. The president shall manage and conduct the business and affairs of the fund under the general direction and subject to the approval of the board of directors, and shall perform other duties as the board of directors prescribes.

(b) Section 87406 of the Government Code, the Milton Marks Postgovernment Employment Restrictions Act of 1990, shall apply to the fund. Members of the board, the president, the chief financial officer, the chief operating officer, the general counsel, a chief medical officer, a chief actuarial officer, a chief claims operations officer, and a chief of internal affairs, and any other person designated by the fund shall be deemed to be designated employees for the purpose of that act.

(c) Both the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code) and the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) shall apply to the fund.

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