

CSAC EXCESS INSURANCE AUTHORITY

LEGISLATIVE COMMITTEE

FINAL AGENDA

CSAC Excess Insurance Authority
75 Iron Point Circle, Suite 200
Folsom, California 95630
916-850-7300

Thursday, April 27, 2017
10:30 a.m.
Third Meeting – 2017

As to each agenda item, the Committee may take action and/or receive informational reports as appropriate.

ROLL CALL/INTRODUCTIONS

- 1.A. Establishment of Quorum/Introductions3

CONSIDERATION OF OFF AGENDA ITEMS

Pursuant to Government Code Section 54954.2(b), except as provided in this paragraph, no action or discussion shall be taken at a regular meeting on any item which does not appear on the posted Final Agenda. Pursuant to Government Code Section 54954.2 (b)(2) an item may be added to the Final Agenda after the Final Agenda has been posted upon a determination by a two-thirds vote of the Committee (or an unanimous vote if less than two-thirds of the Committee is present); the vote shall be on a motion stating that there is a need to take immediate action and that the need for action came to the attention of the Committee subsequent to the Final Agenda being posted. Any such motion shall be accompanied by distribution of a written statement on a form provided by the office of the Chief Executive Officer/Secretary of the Board, to be included in the record, stating the facts upon which it can be determined that the need to take action arose after the Final Agenda was posted. In addition, action may be taken on an item not on the posted Final Agenda under the circumstances stated in Government Code Section 54954.2 (b)(1) [emergency] and 54954.2 (b)(3) [continued regular meetings].

CONSENT AGENDA

The following Consent Agenda is expected to be routine and non-controversial. It will be acted upon by the Committee at one time without discussion. Any Committee member, staff member, or interested party may request that any item be removed from the Consent Agenda for later discussion.

- 2.A. Approval of Minutes, March 9, 20174
An action to approve the Minutes of the above meeting.

GENERAL BUSINESS

- 3.A. Legislative Activity9
Michael Corbett, MYC Associates, EIA Lobbyist
An action to review and possibly take positions on pending bills.
- 3.B. Staff Legislative Activity Report (Mike P./Jen)23
A request for direction regarding staff legislative activity since the last meeting.

3.C. General Discussion of Legislative Issues 45
A request for direction regarding legislative issues.

PUBLIC COMMENT

This portion of the agenda is reserved for members of the general public to address the Committee on any matter not on this agenda that is under the jurisdiction of the Committee.

FUTURE MEETINGS

The next regularly scheduled meeting is **Thursday, May 11, 2017 at 10:30 a.m.**, at the EIA office in Folsom.

ADJOURNMENT

Disability Access: All posted locations for this meeting are wheelchair accessible and disabled parking is available. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the Meeting Planner at (916) 850-7300 or (916) 850-7800 (fax). Requests for such modifications or accommodations must be made at least two full business days before the start of the meeting.

Establishment of Quorum/Introductions
Quorum: 6

Chair:

Andreas Pyper, Santa Barbara County

Vice Chair:

Kristin Usery, Sacramento County

Committee Members:

Sharon Hymes-Offord, Contra Costa County
Alexandria Barr, CSR
Alexander Zaretsky, Gold Coast Transit District
Matt Gutierrez, Kern County
Mike Bowers, Riverside County
Cindy Martin, Placer County
Nancy Rice, San Bernardino County
Cathy Reineke, SMCSIG
Chuck Pode, Ventura County

Alternates:

Mike James, City of Lemon Grove
Jill Abel, Yuba County

Legal Counsel:

Charles McKee, Monterey County
James Fincher, Merced County – Alternate

SUBJECT: Consent Agenda

ACTION FOR CONSIDERATION: Approve the Consent Agenda.

BACKGROUND:

There is one item on the Consent Agenda:

2.A. Approval of Minutes, March 9, 2017

FISCAL IMPACT: None

RECOMMENDATION:

Staff recommends approval of the Consent Agenda. However, the Committee may pull any item they want to discuss or modify. Approval of the Consent Agenda can be made with one motion.

TYPE OF VOTE REQUIRED: Majority vote of the Committee (6)

CSAC EXCESS INSURANCE AUTHORITY

LEGISLATIVE COMMITTEE

MINUTES

CSAC Excess Insurance Authority
75 Iron Point Circle, Suite 200
Folsom, California 95630
916-850-7300

Thursday, March 9, 2017
10:30 a.m.
Second Meeting – 2017

The meeting was called to order by the Chair, Andreas Pyper, at 10:32 a.m.

ROLL CALL/INTRODUCTIONS

1.A. **Members Present**

1. Sharon Hymes-Offord, Contra Costa County – arrived during 3.A.
2. Alexandria Barr, CSRM – arrived during 3.A.
3. Matt Gutierrez, Kern County
4. Mike James, City of Lemon Grove – Alternate, Voting
5. Cindy Martin, Placer County
6. Kristin Usery, Sacramento County
7. Nancy Rice, San Bernardino County
8. Andreas Pyper, Santa Barbara County
9. Cathy Reineke, SMCSIG
10. Jill Abel, Yuba County – Alternate, Voting

Members Absent

1. Alexander Zaretsky, Gold Coast Transit District
2. Mike Bowers, Riverside County
3. Chuck Pode, Ventura County

Others Present

1. Charles McKee, Monterey County – Legal Counsel
2. Dorothy Johnson, CSAC
3. Michael Corbett, Michael Y. Corbett & Associates
4. Jason Schmelzer, Shaw/Yoder/Antwih
5. Kathleen Barnes, EIA Staff
6. Sidney DiDomenico, EIA Staff
7. Heather Fregeau, EIA Staff
8. Natalee Kolenski, EIA Staff
9. Mike Pott, EIA Staff
10. Scarlett Sadler, EIA Staff

CONSIDERATION OF OFF AGENDA ITEMS

There were no items to consider.

CONSENT AGENDA

2.A. Approval of Minutes, February 9, 2017

(Motion 1) Moved by Jill Abel and seconded by Kristin Usery to approve the Consent Agenda as presented. Motion passed unanimously with 8 voting yes (Gutierrez, James, Martin, Usery, Rice, Pyper, Reineke, and Abel).

GENERAL BUSINESS

3.A. Legislative Activity

Michael Corbett, one of the EIA's lobbyists, updated the Committee regarding current legislation at the Capitol. With counsel and direction from Mr. Corbett, Jason Schmelzer with Shaw/Yoder/Antwih, and Dorothy Johnson with CSAC, the Committee reviewed the list of bills and took the following action:

Employee Benefits

- AB 568 (Gonzalez Fletcher) – School and community college employees: paid maternity leave – Oppose 2
- SB 562 (Lara) – Californians For A Healthy California Act – Watch

Healthcare

- AB 506 (Voepel) – Insurance: long-term care insurance – Watch
- AB 595 (Wood) – Health care service plans: health insurers: mergers and acquisitions – Watch
- AB 1353 (Waldron) – Health care coverage: essential health benefits – Watch
- AB 1389 (Bigelow) – Health insurance claims – Drop
- AB 1534 (Nazarian) – Health care coverage: HIV specialists – Watch
- SB 172 (Portantino) – Health care coverage: fertility preservation – Watch
- SB 374 (Newman) – Health insurance discrimination practices: mental health – Watch
- SB 630 (Skinner) – Health care coverage: child coverage – Watch
- SB 716 (Hernandez) – Cal-Cobra Disclosures – Watch

Liability

- AB 10 (Garcia) – Feminine hygiene products: school bathrooms – Watch

- AB 163 (Weber) – School safety: peace officers’ interactions with pupils – No Change, Watch
- AB 173 (Jones-Sawyer) – School safety: peace officers’ interaction with pupils – No Change, Watch
- AB 350 (Salas) – Marijuana edibles – Watch
- AB 374 (Melendez) – Insurance – Watch
- AB 383 (Chau) – Civil actions: discovery status conference – Watch
- AB 408 (Chen) – Eminent domain: final offer of comp – Drop
- AB 459 (Chau) – Public records: body worn cameras – Watch
- AB 500 (Gomez) – Employee codes of conduct – Drop
- AB 569 (Gonzalez Fletcher) – Discrimination: reproductive health – Watch
- AB 575 (Jones-Sawyer) – Elder abuse: mandated reporters – Watch
- AB 576 (Levine) – Pupil discipline: suspension and detention – Watch
- AB 608 (Irwin) – Electronic Comm Privacy Act – Watch
- AB 611 (Dababneh) – Mandated reporters: elder abuse – Support 1
- AB 889 (Stone) – Secrecy agreements: public dangers – Oppose 2
- AB 1103 (Oberholte) – Bicycles: yielding – Oppose 3
- AB 1146 (Flora) – Legal services: contingency fee contracts – Drop
- AB 1279 (Salas) – Valley Fever – Oppose 1
- AB 1298 (Santiago) – Public safety officers procedural rights – Watch
- AB 1339 (Cunningham) – Public employment background investigations – Watch
- AB 1429 (Fong) – Labor Code Private Attorneys General Act of 2004 – Support 1
- SB 20 (Hill) – Vehicles: buses: seatbelts – No Change, Watch
- SB 347 (Jackson) – State Remote Piloted Aircraft Act – Support 1
- SB 357 (Hueso) – Employee right to privacy – Watch
- SB 387 (Jackson) – The False Claims Act – Drop
- SB 632 (Monning) – Civil discovery: depositions – Drop
- SB 642 (Wieckowski) – Civil actions: renewal of judgements – Watch
- SB 720 (Allen) – Government tort liability: immunity: beach fire pits – Support 3
- SB 730 (Pan) – Pupil nutrition: National School Lunch Act: Buy American provision: compliance – Drop
- SB 744 (Hueso) – Employee Right to Privacy – Watch
- SB 746 (Portantino) – Pupil health: physical examinations – Watch

Workers’ Compensation

- AB 373 (Melendez) – Workers’ comp – Watch
- AB 553 (Daly) – Workers’ compensation: return to work program – Watch
- AB 570 (Gonzalez Fletcher) Workers’ comp: apportion – Oppose 3
- AB 1260 (Medina) – Workers’ comp – Watch
- AB 1295 (Chu) – Workers’ comp: aggregate disability payments – Oppose 3
- AB 1422 (Daly) – Workers’ comp insurance: fraud – Watch

- SB 272 (Mendoza) – State Compensation Insurance Fund – Watch **Workplace Standards/Worker Safety**
- AB 402 (Thurmond) – Occupational safety and health standards: plume – Watch
- AB 1548 (Fong) – Occupational safety and health: penalties – Support 2

Other Bills of Interest

No bills to discuss.

(Motion 2) Moved by Nancy Rice and seconded by Kris Usery to accept the positions, as read. Motion passed unanimously with 10 voting yes (Hymes-Offord, Barr, Gutierrez, James, Martin, Usery, Rice, Pyper, Reineke and Abel).

3.B. Staff Legislative Activity Report

Staff informed the Committee that bill letters would go out before the next meeting, and that an update on AB 44 was expected soon.

3.C. General Discussion of Legislative Issues

Staff again reminded the Committee of the upcoming CAJPA Legislative Day on April 18th, and encouraged members to participate.

PUBLIC COMMENT

There was no public comment.

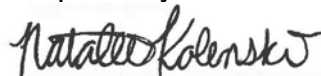
FUTURE MEETINGS

The next regularly scheduled meeting is ***Thursday, April 13, 2017 at 10:30 a.m.***, at the EIA office in Folsom. However, this date now conflicts with the Executive Committee Strategic Planning Retreat, so a new meeting date and time will be decided at the call of the Chair.

ADJOURNMENT

The meeting adjourned at 1:01 p.m.

Respectfully submitted,



Natalee Kolenski
Administrative Clerical Assistant

SUBJECT: Legislative Activity

ACTION FOR CONSIDERATION:

Discuss legislative activity to determine if action is needed or desired on new or pending legislation.

BACKGROUND:

One of the EIA's Legislative Lobbyist, Michael Corbett, will discuss the legislative activity applicable to EIA programs. Currently, our legislative updates, including positions held by the EIA, are posted to the website, which can be accessed at www.csac-eia.org. The information is available in the Legislation section under the Resources tab.

FISCAL IMPACT: Unknown

RECOMMENDATION: Establish positions, as appropriate, on pending legislation.

TYPE OF VOTE REQUIRED: Majority vote of the Committee (6)

CSAC EIA Legislative Committee Bill Bulletin

2017-18 LEGISLATIVE SESSION

As of 4/17/2017

Subject Area Key:

WC – Workers’ Compensation
L – Liability

EB – Employee Benefits (Health and Other)
WS – Workplace Safety/Standards

HC – Healthcare
O – Other

Bill No.	Area	Author	Bill Description	EIA Position	Status
AB 5	EB	Gonzalez Fletcher Employers: Opportunity to Work Act.	Requires employer with 10+ employees to offer add'l work hours to existing nonexempt employee before hiring add'l employee or subcontractor; authorizes employee to file complaint for violation of provisions (enforceable by DIR); violation is punishable by civil penalty.	Oppose 2	Assembly Labor and Employment
AB 46	EB	Cooper Employers: wage discrim.	Clarifies that current law prohibiting pay inequity based on race and/or gender applies to public employers.	Watch	Assembly Labor and Employment
AB 52	EB	Cooper Public employees: orientation.	Requires public employers to provide employees with an orientation and allow the exclusive employee representative to participate.	Watch	Assembly Public Employees, Retirement, and Social Security
SB 63	EB	Jackson Unlawful employment practice: parental leave.	Prohibits an employer from refusing to allow an employee with more than 12 months of service with the employer, and who has at least 1,250 hours of service with the employer during the previous 12-month period, to take up to 12 weeks of parental leave to bond with a new child within one year of the child’s birth, adoption, or foster care placement; would also prohibit an employer from refusing to maintain and pay for coverage under a group health plan for an employee who takes this leave; would provide that it would not apply to an employee who is subject to both CFRA and FMLA. Authorizes but does not require, an employer, when 2 employees of this employer are entitled to leave pursuant to this bill for the same birth, adoption, or foster care placement, to grant simultaneous leave to both of these employees.	Oppose 2	Senate
SB 562	EB	Lara Californians For A Healthy California Act	Would state the intent of the Legislature to enact legislation that would establish a comprehensive universal single-payer health care coverage program and a health care cost control system for the benefit of all residents of the state.	Watch	Senate Health

AB 29	HC	Nazarian Pharmacy benefit managers.	Requires a pharmacy benefit manager to disclose certain information to a purchaser or prospective purchaser, including, among other things, the aggregate amount of rebates, retrospective utilization discounts, and other income that the pharmacy benefit manager would receive from a pharmaceutical manufacturer or labeler in connection with drug benefits related to the purchaser or prospective purchaser. <i>(As amended 3/28/17)</i>	Watch	Assembly Business and Professions, Assembly Health
AB 40	HC	Santiago CURES database: health information technology system	Requires DOJ to make electronic history of controlled substances provided to individual under doctor's care available to practitioner through web portal or health IT system; authorizes DOJ to require entity operating health IT system to enter into MOU or other agreement with terms and conditions with which entity must comply.	Watch	Assembly Business and Professions, Assembly Public Safety
AB 506	HC	Voepel Insurance: Long-term care insurance	Spot bill pertaining to long-term care insurance.	Watch	In Print
AB 595	HC	Wood Health care service plans: health insurers: mergers and acquisitions.	Would require specified entities that intend to merge with, consolidate, acquire, purchase, or control, directly or indirectly, a health care service plan doing business in this state to give notice to, and secure the prior approval from, the Director of the Department of Managed Health Care; would require that entity to apply for licensure as a health care service plan. <i>(As amended 4/3/17)</i>	Watch	Assembly Health, Assembly Insurance
AB 882	HC	Arambula School Nursing and Pupil Healthcare Task Force	Would establish the School Nursing and Pupil Health Care Services Task Force consisting of 16 members, appointed as specified. Specifies that the main task of the task force shall be to identify model school health care services programs and practices that directly serve pupils that can be used by county offices of education and school districts to provide support and technical assistance to schools within each jurisdiction in order to improve the safety and quality of health care services to pupils.	Support 2	Assembly Health, Assembly Education
AB 1107	HC	Nazarian Oncology Clinical Pathway Act of 2017	Would enact the Oncology Clinical Pathway Act of 2017, requiring a health care service plan or health insurer that develops and implements a clinical pathway to comply with certain requirements for cancer treatment. Prohibits a plan or health insurer from developing and implementing a clinical pathway that discourages patient access to clinical trials.		Assembly Health

AB 1353	HC	Waldron Health care coverage: essential health benefits	Amends current law to establish an expedited process where enrollees, enrollees' designees, or prescribing providers may request and obtain an exception to any prior authorization process or by the plan for medically necessary prescription drugs. The exception request must be granted when two items are met: 1) the enrollee was previously prescribed the prescription drug prior to enrollment in the health care service plan and 2) the enrollee is medically stable and enrollee's prescribing provider continues to prescribe the drug for the medical condition within 100 days to the exception request <i>(As amended 3/23/17)</i>		Assembly Health
AB 1534	HC	Nazarian Health care coverage: HIV specialists	Would <i>permit</i> a health care service plan contract or health insurance policy that is issued, amended, or renewed on or after January 1, 2018, to include an HIV specialist, as defined, as an eligible primary care provider, if the provider requests primary care provider status and meets the plan's or health insurer's eligibility criteria for all specialists seeking primary care provider status. <i>(As amended 4/6/17)</i>	Watch	Assembly Health
SB 172	HC	Portantino Health care coverage: fertility preservation	Would require an individual or group health care service plan contract or health insurance policy issued, amended, or renewed on and after January 1, 2018, that covers hospital, medical, or surgical expenses to include coverage for medically necessary expenses for standard fertility preservation services when a necessary medical treatment may directly or indirectly cause iatrogenic infertility to an enrollee or insured.	Watch	Senate Health

SB 191	HC	Beall Pupil health: mental health and substance use disorder services	Would authorize a county, or a qualified provider operating as part of the county mental health plan network, and a local educational agency to enter into a partnership to create a program that includes targeted interventions for pupils with identified social-emotional, behavioral, and academic needs and an agreement to establish a Medi-Cal mental health and substance use disorder provider that is county operated or county contracted for the provision of mental health and substance use disorder services to pupils of the local educational agency and in which there are provisions for the delivery of campus-based mental health and substance use disorder services through qualified providers or qualified professionals to provide on-campus support to identify pupils with an individualized education program (IEP), and pupils who do not have an IEP, but who a teacher believes may require mental health or substance use disorder services and, with parental consent, to provide those services to those pupils. <i>(As amended 3/28/17)</i>	Watch	Senate Appropriations
SB 199	HC	Hernandez The CA Health Care Cost, Quality and Equity Database	Would require certain health care entities, including health care service plans, health insurers, and health care providers to provide specified information to the Secretary of California Health and Human Services, including, but not limited to, utilization data and health care pricing information. <i>Would also require the Secretary of California Health and Human Services, in furtherance of the goal of creating the California Health Care Cost, Quality, and Equity Atlas, to convene an advisory committee composed of a broad spectrum of health care stakeholders and experts, as specified.</i> <i>(As amended 3/30/17)</i>	Watch	Senate Health
SB 374	HC	Newman Health insurance: discrim practices: mental health.	Would require large group, individual, and small group health insurance policies to provide all covered mental health and substance use disorder benefits in compliance with the <i>provisions of federal law governing mental health parity.</i> Would authorize the Insurance Commissioner to issue guidance to health insurers, until January 1, 2019, regarding compliance with these requirements. <i>(As amended 4/3/17)</i>	Watch	Senate Health

SB 538	HC	Monning Hospital Contracts	Would prohibit contracts between hospitals and contracting agents or health care service plans from containing certain provisions, including, but not limited to, setting payment rates or other terms for nonparticipating affiliates of the hospital, requiring the contracting agent or plan to keep the contract's payment rates secret from any payer, as defined, that is or may become financially responsible for the payment, and requiring the contracting agent or plan to submit to arbitration, or any other alternative dispute resolution program, any claims or causes of action that arise under state or federal antitrust laws after those claims or causes of action arise, except as provided. Would make any prohibited contract provision void and unenforceable.		Senate Health
SB 630	HC	Skinner Health care coverage: child coverage Jails: financing bonds.	<i>Requires a participating county that plans to use specified funds for any project, regardless of whether or not that project increases housing capacity, that is approved by the Board of State and Community Corrections on or after the effective date of this act, to certify in writing that it is not presently, nor will it for a period of 10 years following the completion of construction, lease jail housing capacity to any private or public entity. (As amended 4/6/17)</i>	Watch	Senate Health
SB 716	HC	Hernandez State Pharmacy Board	<i>Would increase the number of members of the CA State Board of Pharmacy to 14 by adding one pharmacy technician appointed by the Governor. The bill would require this pharmacy technician board member to have at least 5 years of experience and to continue to work in California as a pharmacy technician. The bill would require the pharmacy technician board member to have specified work experience as a pharmacy technician and to have documented work experience in a variety of pharmacy procedures and practices, as specified.(As amended 3/23/17)</i>	Watch	Senate Business, Professions and ED
AB 10	L	Garcia Feminine hygiene products: school bathrooms	Requires the State Department of Education to provide public and private schools, including charter schools, with an adequate supply of feminine hygiene products sufficient to meet the needs of all female pupils and to ensure that female pupils have direct access to feminine hygiene products in school bathrooms.	Watch	Assembly Appropriations

AB 150	L	Mathis Disabled persons: rights: liability	Requires plaintiffs in ADA violation cases to provide notice to business at least 6 months before filing a complaint; precludes commencement of an action against a small business for an alleged ADA violation if small business has made good faith effort to correct violation; establishes notice requirements for plaintiff to follow before bringing action against small business.	Watch	Assembly Judiciary
AB 163	L	Weber School safety: peace officers interactions with pupils	Requires the governing board of a school district to adopt and annually review a policy regarding the scope of peace officer interactions, including those employed by a school police department or by a local law enforcement agency, with pupils and to consider how to reduce the presence of peace officers on campus.	Watch	Assembly Education, Assembly Public Safety
AB 168	L	Eggman Employers: salary information	Prohibits employers from, orally or in writing, personally or through an agent, seeking salary history information, including, but not limited to, compensation and benefits, about an applicant for employment.	Watch	Assembly Labor and Employment
AB 173	L	Jones-Sawyer School safety: peace officers interactions with pupils	Would require the governing board of a school district to adopt policies mandating proper protection of pupils' rights in interactions with peace officers, including, but not limited to, that school staff not call a peace officer to arrest, discipline, or otherwise interact with a pupil for a violation of school rules and that school staff exhaust all alternatives before involving a peace officer for low-level misconduct; would require a school district to collect and publicly report comprehensive data regarding peace officer interactions with pupils and to have a procedure through which pupils and community members can complain about misconduct relating to peace officer interactions with pupils.	Watch	Assembly Education, Assembly Public Safety
AB 186	L	Eggman Controlled substances: Safer Drug Consumption Program	Would authorize the following counties and cities to conduct the operation of supervised injection services programs for adults that satisfies specified requirements, including a space supervised by healthcare professionals or other trained staff where people who use drugs can consume pre-obtained drugs, sterile consumption supplies, and access to referrals to addiction treatment: Alameda, Fresno, Humboldt, Los Angeles, Mendocino, San Francisco, San Joaquin and Santa Cruz (As amended 3/23/17)	Watch	Assembly Public Safety
AB 233	L	Gloria Pupils: school dress code policies	Would prohibit a school dress code policy from prohibiting a pupil from wearing religious, ceremonial or cultural adornments as graduation ceremonies as defined . (As amended 4/3/17)	Watch	Senate

AB 241	L	Dababneh Personal information: state and local agency breach	Would require a state or local agency, if it was the source of the breach, to offer to provide appropriate identity theft prevention and mitigation services at no cost to a person whose information was or may have been breached if the breach exposed or may have exposed the person's social security number, driver's license number, or California identification card number.	Oppose 2	Assembly Appropriations
AB 350	L	Salas Marijuana edibles	Would specify that a marijuana product is deemed to be appealing to children or easily confused with commercially sold candy if it is in the shape of a person, animal, insect, fruit, or in another shape normally associated with candy, but would not prohibit a licensee from making an edible marijuana product in the shape of the licensee's logo.	Watch	Assembly Health
AB 374	L	Melendez Insurance	Spot bill pertaining to surety insurance.	Watch	In Print
AB 383	L	Chau Civil actions: discovery status conference	Amends the Civil Discovery Act to authorize a court to require the parties to an action or proceeding to attend a conference to discuss discovery matters, including matters in dispute between the parties. The bill would also authorize the court to extend the time for a party to notice a motion with regard to any discovery matter that is not resolved by the status conference.	Watch	Senate
AB 459	L	Chau Public records: body worn cameras	Would prohibit unredacted video and audio files from PRA disclosure from a body-worn camera created by a peace officer of a state or local law enforcement agency that depict any victim of rape, incest, sexual assault, domestic violence, or child abuse from disclosure pursuant to the act, unless the victim depicted or their family provide express written consent (<i>as amended 3/23</i>)	Watch	Assembly Privacy and Consumer Protection, Assembly Judiciary
AB 569	L	Gonzalez Fletcher Discrimination : reproductive health	Would amend provisions of labor law relating to the obligations of an employer to prohibit an employer from taking any adverse employment action, as defined, against an employee based on the use of any drug, device, or medical service related to reproductive health by an employee or employee's dependent or requiring an employee to sign a waiver or other document that purports to deny any employee the right to make his or her own reproductive health care decisions, including the use of a particular drug, device, or medical service.	Watch	Assembly Judiciary
AB 575	L	Jones-Sawyer Elder abuse: mandated reporters	Would, for purposes of mandated reporters law, include within the definition of "health practitioner" a substance use disorder counselor, as defined, thereby making a substance use disorder counselor a mandated reporter.	Watch	Assembly Judiciary

AB 576	L	Levine Pupil discipline: suspension and detention.	Would require, before the informal conference between a pupil and a teacher, supervisor or school employee prior to a suspension of a pupil, a school employee to make a reasonable effort to contact the pupil's parent or guardian in person or by telephone that the informal conference is scheduled to occur.	Watch	Assembly Education
AB 608	L	Irwin Electronic Comm Privacy Act.	Under the Electronic Communications Privacy Act, would specify the manner in which unrelated information obtained pursuant to a warrant is to be sealed.	Watch	Assembly Privacy and Consumer Protection, Assembly Public Safety
AB 611	L	Dababneh Mandated reporters: elder abuse	Would authorize a mandated reporter of suspected financial abuse of an elder or dependent adult to not honor any power of attorney if he or she makes, or has actual knowledge that any other person has made, a report to an adult protective services agency or a local law enforcement agency of any state that the natural person who executed the power of attorney may be an elder or dependent adult subject to financial abuse.	Support 1	Assembly Aging and Long Term Care
AB 686	L	Santiago: Housing discrimination: affirmatively further fair housing.	Would make it unlawful under the California Fair Employment and Housing Act for a public agency to fail to meet its obligation to affirmatively further fair housing. Failure would constitute discrimination under the Act. Would also require a public agency that completes or revises an assessment of fair housing pursuant to specified provisions of the federal Fair Housing Act and its implementing regulations to submit a copy of that assessment or revised assessment to the USDHUD. Requires the department to post any assessment received pursuant to these provisions on its Internet Web site within a reasonable period of time. Defines the term "public agency" to mean any state or local agency, regional transportation agency, or council of governments.		Assembly Judiciary
AB 692	L	Chu School buses: passenger restraint system	Would require all school buses purchased after January 1, 2020 to have passenger restraint systems. Would establish a task force to develop implementation and compliance promotion strategies with State CHP, Dept of Ed, and others.		Assembly Transportation
AB 735	L	Maeinschein Swimming Pools. AEDs	Would require those public swimming pools that are required to provide lifeguard services and that charge a direct fee to additionally provide an Automated External Defibrillator (AED) during pool operations.		Assembly Appropriations

AB 889	L	Stone Secrecy agreements: public dangers.	Would authorize but not require the State Bar to investigate cases of attorney misconduct. This bill would also provide that in an action based upon the existence of a danger to the public health or safety, as defined, information relating to the danger that was discovered during the course of litigation shall not be kept secret pursuant to an agreement of the parties or a court order, except as specified. (As amended 4/6/17)	Watch	Assembly Privacy and Consumer Protections
AB 919	L	Quirk-Silva School Safety Plans. Internet Posting.	Would require schools to post their comprehensive school safety plan on their website.		Assembly Education
AB 1279	L	Salas Valley Fever	Would require each county to ascertain and report the existence of every case of valley fever to DPH in a timely manner. Would also require DPH to publicly announce within a county whenever the number of reported cases of valley fever is equal to or greater than 5% of the county's population in a manner that is reasonably likely to inform a majority of the residents of the county. Would appropriate \$2 million from the General Fund to the department to fund research and equipment to address valley fever. (As amended 4/6/17)	Oppose 1	Assembly Health
AB 1298	L	Santiago Public safety officers procedural rights	Would require, when any public safety officer is under investigation and subject to interrogation by his or her commanding officer, or any other member of the employing public safety department, on the allegation of making a false statement, that any administrative finding of the false statement shall require proof based on clear and convincing evidence, including corroborating evidence. Would prohibit witness testimony regarding a disciplinary hearing against a public safety officer from being received by telephone or any other electronic means.	Watch	Assembly Public Safety
AB 1339	L	Cunningham Public employment background investigations	Would expand the existing requirement that peace officers must be of good moral character, as determined by a background check, to all applicants with in a law enforcement agency. Also extends disclosure requirements under existing law if the conditions are met or not.	Watch	Assembly
AB 1429	L	Fong Labor Code Private Attorneys General Act of 2004.	Would limit the violations for which an aggrieved employee is authorized to bring a civil action under PAGA and would require the employee to follow specified procedures before bringing an action. Would cap the civil penalties recoverable under these provisions at \$10,000 per claimant and would exclude the recovery of filing fees by a successful claimant. (as amended 3/23)	Support 1	Assembly Labor and Employment

SB 20	L	Hill Vehicles: buses: seatbelts	Requires a passenger in a bus equipped with safety belts to be properly restrained by a safety belt and requires a bus operator to inform passengers of the requirement to wear a seatbelt; authorizes a bus driver to post signs or placards informing passengers of the requirement. Violations of provision is punishable by a fine of not more than \$20 for a first offense and not more than \$50 for each subsequent offense. These these requirements do not apply to school buses <i>or passengers using onboard restroom. (as amended 4/6/17)</i>	Watch	Senate Appropriations
SB 21	L	Hill Surveillance policies	Requires law enforcement agencies to submit to its governing a proposed plan for the use of surveillance technology and the information collected, as specified. Requires policies be adopted at public hearing and it be posted on the agency's Internet Web site. Also requires the agency to make specified reports, at approved intervals, concerning the use of surveillance technology, and to make those reports available on the agency's Internet Web site.		Senate Judiciary
SB 347	L	Jackson State Remote Piloted Aircraft Act	Would enact the State Remote Piloted Aircraft Act. The bill would prohibit a person from operating a remote piloted aircraft in any number of specified manners and would require any person using, operating, or renting a remote piloted aircraft and every commercial operator of a remote piloted aircraft to maintain adequate liability insurance or proof of financial responsibility	Support 1	Senate Public Safety
SB 357	L	Hueso International trade and Investment Office	Would state the intent of the Legislature to enact legislation amending the Government Code to establish the "Employee Right to Privacy."	DROP	
SB 387	L	Jackson The False Claims Act	Would specify that the fines imposed for violation of the False Claims Act shall be imposed as adjusted by the Federal Civil Penalties Inflation Adjustment Act of 1990.		Senate Appropriations
SB 423	L	Cannella Indemnity: design professionals	Would apply current indemnity provisions for public agencies to all private entities as well, beginning January 1, 2018.		Senate Rules
SB 442	L	Newman Public Health. Swimming Pools.	Would require when a building permit is issued that a pool or spa be equipped with at least 2 of 7 specified drowning prevention safety features. Also deletes the exemption from the Swimming Pool Safety Act for political subdivisions that adopt ordinances for swimming pools. Would also revised what is acceptable drowning prevention procedures.		Senate Transportation and Housing

SB 642	L	Wieckowski Civil actions: renewal of judgments	Existing law provides that the period of enforceability of a money judgment or a judgment for possession or sale of property may be extended by renewal of the judgment. Existing law provides a mechanism for a judgment debtor to apply by noticed motion for an order of the court vacating the renewal of the judgment. Existing law requires the judgment debtor to serve notice of the motion on the judgment creditor personally or by mail.	Watch	Senate Judiciary
SB 720	L	Allen Government tort liability: immunity: beach fire pits.	Would immunize a public entity and its employees for any damage or injury to a person or property as a result of a fire or the remnants of a fire that arises from the use of a fire pit, fire ring, fire circle, or barbecue grill, located in an area designated for that use, at a park, beach, or recreational area, owned or controlled by the entity.	Support 3	Senate Judiciary
SB 746	L	Portantino Pupil health: physical examinations.	Would additionally authorize a doctor of chiropractic, naturopathic doctor, or nurse practitioner practicing in compliance with the respective laws governing their profession to perform the physical examination that is required for a pupil to participate in an interscholastic athletic program of a school.	Watch	Senate Education
TBL 502	L/ WC	DOF	Would modify requirements for public works registration, increasing penalties for non-compliance for both contractors and public agencies.		
AB 61	WC	Holden Workers' comp.	Expresses intent of Legislature to enact legislation to streamline and regulate workers' comp system to improve process for small businesses and employees.	Watch	Assembly Insurance
AB 206	WC	Gonzalez Fletcher Workers' comp: employees	Removes exclusion for employees hired by homeowner/resident who is employed for less than 52 hours from definition of "employee" for purposes of providing workers' compensation coverage; expands that definition to be regardless of immigration status.	Watch	Assembly Insurance
AB 221	WC	Gray Workers' comp: liability for payment	Provides that, for occupational disease or cumulative injury claims filed on or after 1/1/18, employee and employer have no liability for payment for medical treatment unless one or more conditions are satisfied including that the treatment was authorized by the employer.	Watch	Assembly Insurance
AB 373	WC	Melendez Workers' comp	Spot bill pertaining to workers' compensation self-insurance.	Watch	In Print

AB 553	WC	Daly Workers' comp: return to work program	Would require the DWC Director to have the return to work program distribute the \$120,000,000 annually to eligible workers and would require, commencing with the end of the 2017 calendar year, that any remaining program funds available after the above-described supplemental payments are made be distributed pro rata to those eligible workers, subject to a \$25,000 limit per calendar year. Would prohibit a person from collecting a fee or commission for providing assistance to a worker to apply for benefits. (As amended 3/30/17)	Watch	Assembly Insurance, Assembly Judiciary
AB 570	WC	Gonzalez Fletcher Workers' comp: apportion.	Would prohibit apportionment, in the case of a physical injury occurring on or after January 1, 2018, from being based on pregnancy, childbirth, or other medical conditions related to pregnancy or childbirth.	Oppose 3	Assembly Insurance
AB 1028	WC	Bocanegra Workers' Compensation	Would expand the coverage of the workers' compensation provisions relating to compensable injury to include peace officers employed by the security or police department of a school district.		Assembly Insurance
AB 1260	WC	Medina Workers' Compensation	Would increase the max fine from \$10,000 to \$15.00 for any person or entity, other than physicians or attorneys, advertising, printing, displaying, publishing, distributing, or broadcasting in any manner a statement concerning services or benefits to be provided to an injured worker, which is paid for by that person or entity that is false, misleading, or deceptive.	Watch	Assembly Insurance
AB 1295	WC	Chu Workers' compensation: aggregate disability payments	Would require that if a denial of treatment requested by a treating physician is subsequently overturned by independent medical review or by the Workers' Compensation Appeals Board, any temporary disability paid or owing from the date of the denial until the treatment is authorized would not be included in the calculation of the aggregate disability payments.	Oppose 3	Assembly Insurance
AB 1422	WC	Daly Workers' Comp insurance: fraud	Would make the automatic stay for a lien filed by or behalf of a provider effective until the adjudication procedures related to a physician suspension for fraud have been completed. (As amended 4/6/17)	Watch	Assembly Insurance
SB 189	WC	Bradford Workers' comp: definition of employee	Changes level of ownership for an officer or member of a board of directors of a quasi-public or private corporation from 15% to 10% in order to be excluded from workers' comp coverage.	Watch	Senate Labor and Industrial Relations
SB 272	WC	Mendoza State Compensation Insurance Fund	Would require the Board of Directors of the State Compensation Insurance Fund (SCIF) to appoint additional executive and management positions, including a chief information security officer and a pricing actuary, among others.	Watch	Senate Insurance

SB 489	WC	Bradford Workers' Comp. Change of physician	Would require that in the case of emergency treatment services, as defined, specified requests for payment for treatment be submitted to the employer, or its insurer or claims administrator within 180 days of the date the service was provided, expanding the time frame from 30 days.		Senate Appropriations
AB 402	WS	Thurmond Occupational safety and health standards: plume.	Would, by June 1, 2018, require the Division of Occupational Safety and Health to convene an advisory committee to develop a regulation that requires a health facility to evacuate or remove plume through the use of a plume scavenging system in all settings that employ techniques that involve the creation of plume and would authorize certain entities and people to be on the advisory committee, including, among others, practicing physicians and surgeons from affected specialties.	Watch	Assembly Third Reading

LEGISLATIVE COMMITTEE MEETING
April 27, 2017

AGENDA ITEM: 3.B.

SUBJECT: Staff Legislative Activity Report

ACTION FOR CONSIDERATION:

Provide direction to staff on any additional action required.

BACKGROUND:

Staff will provide an update on any activity that has occurred since the last Committee meeting. Any letters that have been sent in opposition or support of specific bills are included for the Committee's reference.

FISCAL IMPACT: None

RECOMMENDATION: None

TYPE OF VOTE REQUIRED: Consensus or majority vote of the Committee (6)



CALIFORNIA STATE ASSOCIATION OF COUNTIES



LEAGUE OF CALIFORNIA CITIES



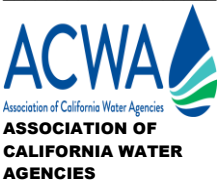
RURAL COUNTY REPRESENTATIVES OF CALIFORNIA



URBAN COUNTIES of CALIFORNIA



CALIFORNIA ASSOCIATION OF JOINT POWERS AUTHORITIES



March 21, 2017

The Honorable Lorena Gonzalez
Chair, Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

**RE: AB 241 (Dababneh) – Personal information: privacy: state and local agency data breach
OPPOSE**

Dear Assembly Member Gonzalez:

The California State Association of Counties (CSAC), the Urban Counties of California (UCC), the League of California Cities (League), the Association of California Water Agencies (ACWA), the California Association of Joint Powers Authority (CAJPA), the Rural County Representatives of California (RCRC), and the CSAC Excess Insurance Authority (CEIA), regret to inform you of our opposition to Assembly Bill 241 (Dababneh). This bill would require a public agency that is the source of a data breach to provide at least 12 months of appropriate identity theft protection and mitigation services at no cost to the consumer if the breach exposed, or may have exposed a person’s name in combination with a social security number or driver’s license number.

Cost Concerns: The requirements in AB 241 add to existing requirements that local agencies notify residents and consumers of any identity theft (Ca. Civil Code §1798.29). The additional requirement to provide the free services outlined in AB 241 could pose crippling costs to our agencies. The average cost of annual credit monitoring is \$100 per year; a large enough data breach could result in millions of dollars in costs to local governments already struggling to provide basic services to their residents. In the Senate Appropriations analysis of AB 259 (Dababneh, 2015), which is similar to this bill, the analysis noted potential major non-reimbursable costs in the tens of millions of dollars to local agencies to provide credit monitoring services to individuals impacted by data breaches.

What is “Appropriate”? AB 241 contains an undefined standard of “appropriate” remedial services. Our coalition is troubled that a lack of specificity could lead to an expansive opinion of what measures must be taken by local governments to remedy a data breach for those affected, thus amplifying potential costs.

Interconnectedness with State and Federal Agencies: State and federal agencies and their associated data centers (such as the Department of Justice and Department of Veterans’ Affairs) now require more interconnection with local governments. An example of a major connection is with the California Department of Motor Vehicles (DMV), which requires local agencies to renew our DMV network access agreements on an annual basis. This interconnection begs the question of which agency would be liable in certain breaches if a hacker accesses DMV driver’s license information by utilizing the county’s connection to the DMV, which agency must cover the costs associated with the provisions of AB 241. If it were a local government employee who perpetuated the breach, would the local agency cover the \$100/person cost for credit monitoring for possibly millions of Californians affected? Would the same liability apply had the breach occurred through the county’s connection to a state or federal agency but not by someone within the county? To avoid such lack of clarity in these situations, AB 241 should at least be amended to ensure local agencies are only liable for

systems and data that are fully within their control – shared systems with the state or federal government should be limited to the residents within the local jurisdiction.

For these reasons, CSAC, UCC, RCRC, ACWA, CAJPA, CEIA and the League are opposed to AB 241. Should you have any questions on our position, please contact Jolena Voorhis with UCC at (916) 327-7531, Dorothy Johnson with CSAC at (916) 327-7500, Dane Hutchings with the League at (916) 658-8200, Wendy Ridderbusch with ACWA at (916) 441-4545, Faith Lane with CAJPA at (916) 231-2139 Tracy Rhine with RCRC at (916) 447-4806 and Michael Pott with CEIA at (916) 850-7300.

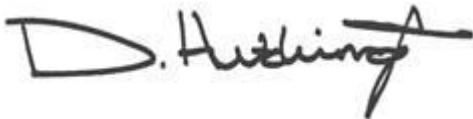
Sincerely,



Dorothy Johnson
Legislative Representative
CSAC



Jolena Voorhis
Executive Director
UCC



Dane Hutchings
Legislative Representative
League



Wendy Ridderbusch
Director of State Legislative Relations
ACWA



Tracy Rhine
Legislative Advocate
RCRC



Faith Lane
Legislative Advocate
CAJPA



Michael Pott
Chief Claims Officer
CEIA

cc: Members and Consultant, Assembly Appropriations Committee



April 1, 2017

The Honorable Tom Daly
Chair, Assembly Insurance Committee
California State Assembly
State Capitol, Room 3120
Sacramento, CA 95814

Subject: **AB 570 (Gonzalez-Fletcher) – Apportionment to Pre-existing Disability**
OPPOSE

Dear Assemblymember Daly,

The organizations listed above must respectfully OPPOSE AB 570, which would require California employers to pay injured workers permanent disability indemnity benefits for disability that everyone agrees was not caused by a workplace injury or illness.

We oppose AB 570 because it is a violation of the fundamental agreement between workers and their employers that establishes the foundation of our workers' compensation system. That agreement holds that employers will accept responsibility for all injuries and illnesses that occur in the course and scope of employment, even when they would otherwise have no legal liability. The workers, in exchange for the guaranteed coverage, relinquish the right to sue their employers in civil court. AB 570 violates that agreement by requiring employers to compensate injured workers for disability that has not, with medical certainty, resulted from a workplace injury.

The sponsor, the California Applicant Attorneys Association, has advanced legislation with substantially similar provisions for years, and vetoing these measures has been a bipartisan affair. Both Governor's Schwarzenegger and Brown have recognized that these bills result in a fundamental expansion of our workers' compensation system. In vetoing AB 1643, Governor Brown provided a clear basis for his action:

"On the issue of apportionment, this bill creates broad, gender-based exceptions to the rule that employers are liable only for the percentage of permanent disability directly caused by a work-related injury. As written, the bill would prohibit apportionment to, and thus require employers to pay for, a permanent disability that actually resulted from pregnancy or menopause, or from osteoporosis or carpal tunnel syndrome where these are preexisting conditions or unrelated to work."

(Governor Brown's veto message on AB 1643 (Gonzalez, 2016))

AB 570 expands the purpose of California's workers' compensation system – already the most expensive among the 50 states – to pay injured workers' a cash benefit to compensate for permanent impairment that is in no way related to employment. No matter what the explanation or justification, AB 570 is nothing more than a big step in the wrong direction for California.

For these reasons, and many more, we strongly OPPOSE AB 570.

Sincerely,

California Coalition on Workers' Compensation
California Chamber of Commerce
American Insurance Association
Association of California Insurance Companies
California State Association of Counties
CSAC Excess Insurance Authority
National Federation of Independent Business
California Manufacturers & Technology Association
California Association of Joint Powers Authorities
Association of California Healthcare Districts
California Special Districts Association
California Grocers Association



April 5, 2017

The Honorable Lorena Gonzalez-Fletcher
California State Assembly
State Capitol, Room 2114
Sacramento, CA 95814

Subject: **AB 570 (Gonzalez-Fletcher) – Apportionment to Pre-existing Disability**
OPPOSE

Dear Assemblymember Gonzalez-Fletcher,

The organizations listed above must respectfully OPPOSE your AB 570, which would require California employers to pay injured workers permanent disability indemnity benefits for disability that everyone agrees was not caused by a workplace injury or illness.

We oppose AB 570 because it is a violation of the fundamental agreement between workers and their employers that establishes the foundation of our workers' compensation system. That agreement holds that employers will accept responsibility for all injuries and illnesses that occur in the course and scope of employment, even when they would otherwise have no legal liability. The workers, in exchange for the guaranteed coverage, relinquish the right to sue their employers in civil court. AB 570 violates that agreement by requiring employers to compensate injured workers for disability that has not, with medical certainty, resulted from a workplace injury.

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“On the issue of apportionment, this bill creates broad, gender-based exceptions to the rule that employers are liable only for the percentage of permanent disability directly caused by a work-related injury. As written, the bill would prohibit apportionment to, and thus require employers to pay for, a permanent disability that actually resulted from pregnancy or menopause, or from osteoporosis or carpal tunnel syndrome where these are preexisting conditions or unrelated to work.”

(Governor Brown's veto message on AB 1643 (Gonzalez, 2016))

AB 570 expands the purpose of California's workers' compensation system – already the most expensive among the 50 states – to pay injured workers' a cash benefit to compensate for permanent impairment that is in no way related to employment. No matter what the explanation or justification, AB 570 is nothing more than a big step in the wrong direction for California.

For these reasons, and many more, we strongly OPPOSE your AB 570.

Sincerely,

California Coalition on Workers' Compensation
California Chamber of Commerce
American Insurance Association
Association of California Insurance Companies
California State Association of Counties
CSAC Excess Insurance Authority
National Federation of Independent Business
California Manufacturers & Technology Association
California Association of Joint Powers Authorities
Association of California Healthcare Districts
California Special Districts Association
California Grocers Association



March 30, 2017

The Honorable Assemblyman Joaquin Arumbula
California State Senate
State Capitol, Room 5155
Sacramento, CA 94249

Re: AB 882 – Pupil Health Care Services: School Nursing and Pupil Health Care Services Task Force

Dear Honorable Assemblyman Arumbula:

CSAC EIA is a California Joint Powers Authority representing approximately 1,600 public entities statewide. Our membership includes 95% of the counties in California and nearly 60% of the cities, as well as numerous school districts, special districts, housing authorities, fire districts, and other Joint Powers Authorities. We wish to express our support for AB 882.

California has one of the lowest school nurse ratios in the country, ranging from 1-3,000 students to over 1-13,000 in some parts of the state. School nurses are responsible for students' health and safety and work collaboratively with teachers, administrators and parents to assure students are healthy and ready to learn. Efforts need to be made to evaluate what is an adequate level of nurse staffing at schools and how to pay for such staffing.

AB 882's call for a task force that will be charged with the duty of evaluating and compiling information regarding school health issues with a goal of finding solutions is an important cause for our school district membership. With the task force's goal of not only analyzing the issues, but working to find solutions such as funding services and programs that will effectively address the health and social issues affecting students, our school district members will be able to help ensure the success and well-being of their student population and hopefully eliminate risks associated with the younger generation today such as limited healthcare or personal issues that lead our youth to making less than healthy choices in life.

Limited financial resources, reduced staffing with some schools sharing a nurse limiting the amount of time a nurse can be on a school campus each day, a growing trend of adolescent mental and physical health issues, and expectations that school staff are required to identify and treat conditions, has left our school district members concerned about the increased liability they are beginning to face. AB 882's efforts to develop a task force that will address these growing concerns and aid the student population so they can be successful in their academics is a welcome bill.

As a result we respectfully support AB 882.

Assembly Member Joaquin Arumbula
Page 2 of 2
March 30, 2017

Sincerely,



Michael Pott
Chief Claims Officer
mpott@csac-eia.org

cc Assembly Member Patrick O'Donnell, Chair of the Education Committee
Members of the Education Committee
Assembly Member Jim Wood, Chair of the Health Committee
Members of the Health Committee



March 15, 2017

Honorable Assembly Member Obernolte
California State Assembly
State Capitol, Room 4116
Sacramento, CA 94929

Honorable Assembly Member Ting
California State Assembly
State Capitol, Room 6026
Sacramento, CA 94929

Re: AB 1103 – Bicycles: yielding

Dear Honorable Assembly members Obernolte and Ting:

CSAC EIA is a California Joint Powers Authority representing approximately 1,600 public entities statewide. Our membership includes 95% of the counties in California and nearly 60% of the cities, as well as numerous school districts, special districts, housing authorities, fire districts, and other Joint Powers Authorities. We wish to express our opposition for AB 1103.

Under proposed bill AB 1103 cyclists would be given authority to enter a stop sign controlled intersection without first making a full stop and yielding to the appropriate flow of traffic. Though the bill states that the law currently requires cyclists to follow all laws applicable to the driver of a vehicle, AB 1103 seemingly takes away one very important law of the road in eliminating the requirement to make a full and complete stop at a controlled intersection prior to proceeding. This is not in accordance with the laws a driver of a vehicle must abide by and creates an added risk of injury to the cyclist, drivers of vehicles, and potential passengers as cyclists may choose to roll through stop signs rather than yield.

The potential consequence to a public entity of the passage of this bill is increased exposure to litigation as a result of traffic accidents. Whether an accident involves a public entity's vehicle or not, if someone is injured in an accident, an attorney will typically make a claim that the accident resulted from a dangerous condition – whether such a claim has any merit based on facts or law. Therefore, the passage of this bill will likely result in increased use of public funds to defend against litigation. AB 1103 would require public entities to consider whether additional signage is needed at all stop sign controlled intersection and also consider increased budgets to defend against a claim by a motorist or cyclist when a cyclist makes the choice to proceed through an intersection, not yield to traffic, and is subsequently injured or causes injury to others.

As a result we respectfully oppose AB 1103.

Sincerely,

Michael Pott
Chief Claims Officer
mpott@csac-eia.org

cc Assembly Member Jim Frazier, Chair of the Transportation Committee
Member of the Transportation Committee
Assembly Member Richard Bloom
Assembly Member Rocky J. Chavez
Assembly Member Kevin Kiley
Senator Scott D. Wiener





Trusted Leadership
for California's Public
Risk Sharing Pools



CSAC
EXCESS
INSURANCE
AUTHORITY



ACHD
ASSOCIATION OF CALIFORNIA
HEALTHCARE DISTRICTS



April 5, 2017

The Honorable Kansen Chu
California State Assembly
State Capitol, Room 2160
Sacramento, CA 95814

Subject: **AB 1295 (Chu) Workers' Compensation: aggregate disability payments – OPPOSE**

Dear Assemblymember Chu,

The organizations listed above must respectfully oppose your AB 1295, which would complicate the claims-handling process and create a disincentive to apply medical standards prescribed by the State of California. Additionally, we believe that the entire premise of this bill is based in the sponsor's erroneous assertion that the Utilization Review (UR) and Independent Medical Review (IMR) processes are purely expensive mechanisms designed to delay and deny medical care. An assertion that just isn't supported by the data.

HOW MEDICAL TREATMENT DISPUTES GET RESOLVED

Current California law puts disputed medical treatment decisions in the hands of physicians that apply nationally-based, peer-reviewed, and evidence-based treatment guidelines to make determinations about what will help the injured worker heal most effectively. There are two main decision-making processes that are separate and distinct from one-another, even though they perform roughly the same function:

1. *Utilization Review*

When a claims administrator receives a medical treatment request (known as a Request for Authorization, or RFA) from a physician, they can either approve the treatment or refer it to UR for review. UR has five days to approve, deny, or modify (meaning to change in some way; e.g. approve 6 weeks of physical therapy instead of 10) the RFA. That can be extended

to 14 days if the treatment request wasn't supported by medical records and some additional information is needed from the requesting physician.

If the RFA is approved, then the process stops here. A claims administrator can NOT challenge a UR approval. If the RFA is modified or denied, then the IMR process can be triggered by the injured worker.

If IMR is not requested, then the decision stands as final. The UR process is controlled entirely by the claims administrator, or a contractor. However, it is tightly regulated and every claims administrator and UR provider are audited frequently to review their performance. Audit scores are public and compliance errors are met with steep financial penalties.

2. *Independent Medical Review*

If UR modifies or denies an RFA, then an injured worker has 30 days to request IMR. The IMR provider applies the exact same medical standards that were used by the UR provider in the decision to modify or deny medical treatment. IMR serves as a sort of "check and balance" on the decision that was made by the UR provider. Once IMR is triggered by a request, a claims administrator has 14 days to deliver records to the IMR provider. Once the IMR provider gets the records they have 30 days to deliver a decision. The decision is final.

The UR portion of this process is quite fast – 5-14 days. The IMR portion, with the 30 days to request and 30 days to reach a decision, extends the process considerably. However, this is a vast improvement over the prior dispute resolution mechanisms and the final decision on disputed medical treatment is reached within 90 days, and most frequently much earlier.

Prior to the UR / IMR processes we had situations where medical treatment disputes were settled by a medical evaluation that often took months to schedule, and then litigated in a hearing that also took months to schedule. In many cases to took 6-12 months to resolve disputes of medical treatment. The legislative history on this issue is clear. It is indisputable that the UR and IMR processes have streamlined the decision-making process and delivered treatment more quickly to injured workers.

DATA SHOWS UR DECISIONS UPHELD AT A RATE EXCEEDING 90%

Not only are the combined UR and IMR processes faster at delivering decisions to physicians and care to injured workers, but the UR process itself is impressively accurate in its decisions. The California Workers' Compensation Institute (CWCI) recently released a report entitled, "*Independent Medical Review Decisions January 2014 through December 2016*". The report contains some key findings:

- IMR physicians upheld UR modifications and denials at a rate of 91.2% in 2016.
- The number of IMR determinations issued in 2016 was 176,002, up from 142,983 in 2014.
- A small number of physicians drive a high volume of IMR requests. In fact, 1% of physicians account for 44% of disputed treatment requests. Just ten providers account for 11% of the disputed treatment requests. The report also notes that the same providers continue to be a problem year over year.

The data, we believe, shows that UR is extremely effective at quickly and accurately applying medical guidelines to treatment requests from physicians. We also believe that the data demonstrates the nature of the real problem – that a very small number of physicians submit a high volume of medical

treatment requests that are contrary to the medical standards set by the State of California, and that more and more injured workers, or their attorneys, are choosing to pursue IMR despite the nearly 90% probability that the UR decision was correct.

We would respectfully submit that the source of the delay is neither the UR process, or claims administrators. Claims administrators and UR providers, as is clearly outlined above, control only a portion of the process by which medical disputes are resolved. And, per the data, the decisions made in that portion of the process are upheld over 90% of the time.

If the sponsor of this bill were truly concerned with delay they would simply refer fewer treatment modifications and denials to IMR and encourage physicians to make more suitable treatment recommendations. However, we would submit that their clear record is sponsoring legislation that infuses friction, conflict, and delay into the system. The result is a more complex system that forces injured workers to hire an attorney, and pay that attorney out of their permanent disability benefits, just so they can navigate their claim.

ADDITIONAL CONSIDERATIONS

In addition to our general premise that the bill is based on the sponsor's erroneous conclusions that aren't supported by data, we'd offer the following observations:

- Roughly 50% of the IMR requests from 2014-2016 were to resolve disputes over pharmaceuticals. These requests will no longer be subject to UR or IMR as of 1/1/2018 because a drug formulary will have been implemented.
- This bill necessitates a complicated record-keeping process that the claims administrators must follow to demonstrate compliance when audited. Processes like this make claims administration more cumbersome and expensive, and takes attention away from the primary function of providing benefits to injured workers.

CONCLUSION

We are strongly opposed to AB 1295 because it is based in misunderstanding of the claims administration process, and it creates additional unnecessary bureaucratic barriers to the effective administration of claims. The data and legislative history on this subject don't lie – UR and IMR result in faster and more effective dispute resolution, and the delay that the sponsor is purportedly concerned with could easily be remedied if they were to simply apply a bit of discretion when requesting IMR.

Sincerely,

California Coalition on Workers' Compensation
California Chamber of Commerce
American Insurance Association
Association of California Insurance Companies
California State Association of Counties
CSAC Excess Insurance Authority
National Federation of Independent Business
California Manufacturers & Technology Association
California Association of Joint Powers Authorities
Association of California Healthcare Districts



Trusted Leadership
for California's Public
Risk Sharing Pools



CSAC
EXCESS
INSURANCE
AUTHORITY



ACHD
ASSOCIATION OF CALIFORNIA
HEALTHCARE DISTRICTS



April 5, 2017

The Honorable Tom Daly
Chair, Assembly Insurance Committee
California State Assembly
State Capitol, Room 3120
Sacramento, CA 95814

Subject: **AB 1295 (Chu) Workers' Compensation: aggregate disability payments - OPPOSE**

Dear Assemblymember Daly,

The organizations listed above must respectfully oppose AB 1295, which would complicate the claims-handling process and create a disincentive to apply medical standards prescribed by the State of California. Additionally, we believe that the entire premise of this bill is based in the sponsor's erroneous assertion that the Utilization Review (UR) and Independent Medical Review (IMR) processes are purely expensive mechanisms designed to delay and deny medical care. An assertion that just isn't supported by the data.

HOW MEDICAL TREATMENT DISPUTES GET RESOLVED

Current California law puts disputed medical treatment decisions in the hands of physicians that apply nationally-based, peer-reviewed, and evidence-based treatment guidelines to make determinations about what will help the injured worker heal most effectively. There are two main decision-making processes that are separate and distinct from one-another, even though they perform roughly the same function:

1. *Utilization Review*

When a claims administrator receives a medical treatment request (known as a Request for Authorization, or RFA) from a physician, they can either approve the treatment or refer it to

UR for review. UR has five days to approve, deny, or modify (meaning to change in some way; e.g. approve 6 weeks of physical therapy instead of 10) the RFA. That can be extended to 14 days if the treatment request wasn't supported by medical records and some additional information is needed from the requesting physician.

If the RFA is approved, then the process stops here. A claims administrator can NOT challenge a UR approval. If the RFA is modified or denied, then the IMR process can be triggered by the injured worker.

If IMR is not requested, then the decision stands as final. The UR process is controlled entirely by the claims administrator, or a contractor. However, it is tightly regulated and every claims administrator and UR provider are audited frequently to review their performance. Audit scores are public and compliance errors are met with steep financial penalties.

2. *Independent Medical Review*

If UR modifies or denies an RFA, then an injured worker has 30 days to request IMR. The IMR provider applies the exact same medical standards that were used by the UR provider in the decision to modify or deny medical treatment. IMR serves as a sort of "check and balance" on the decision that was made by the UR provider. Once IMR is triggered by a request, a claims administrator has 14 days to deliver records to the IMR provider. Once the IMR provider gets the records they have 30 days to deliver a decision. The decision is final.

The UR portion of this process is quite fast – 5-14 days. The IMR portion, with the 30 days to request and 30 days to reach a decision, extends the process considerably. However, this is a vast improvement over the prior dispute resolution mechanisms and the final decision on disputed medical treatment is reached within 90 days, and most frequently much earlier.

Prior to the UR / IMR processes we had situations where medical treatment disputes were settled by a medical evaluation that often took months to schedule, and then litigated in a hearing that also took months to schedule. In many cases to took 6-12 months to resolve disputes of medical treatment. The legislative history on this issue is clear. It is indisputable that the UR and IMR processes have streamlined the decision-making process and delivered treatment more quickly to injured workers.

DATA SHOWS UR DECISIONS UPHELD AT A RATE EXCEEDING 90%

Not only are the combined UR and IMR processes faster at delivering decisions to physicians and care to injured workers, but the UR process itself is impressively accurate in its decisions. The California Workers' Compensation Institute (CWCI) recently released a report entitled, "*Independent Medical Review Decisions January 2014 through December 2016*". The report contains some key findings:

- IMR physicians upheld UR modifications and denials at a rate of 91.2% in 2016.
- The number of IMR determinations issued in 2016 was 176,002, up from 142,983 in 2014.
- A small number of physicians drive a high volume of IMR requests. In fact, 1% of physicians account for 44% of disputed treatment requests. Just ten providers account for 11% of the disputed treatment requests. The report also notes that the same providers continue to be a problem year over year.

The data, we believe, shows that UR is extremely effective at quickly and accurately applying medical guidelines to treatment requests from physicians. We also believe that the data demonstrates the nature of the real problem – that a very small number of physicians submit a high volume of medical

treatment requests that are contrary to the medical standards set by the State of California, and that more and more injured workers, or their attorneys, are choosing to pursue IMR despite the nearly 90% probability that the UR decision was correct.

We would respectfully submit that the source of the delay is neither the UR process, or claims administrators. Claims administrators and UR providers, as is clearly outlined above, control only a portion of the process by which medical disputes are resolved. And, per the data, the decisions made in that portion of the process are upheld over 90% of the time.

If the sponsor of this bill were truly concerned with delay they would simply refer fewer treatment modifications and denials to IMR and encourage physicians to make more suitable treatment recommendations. However, we would submit that their clear record is sponsoring legislation that infuses friction, conflict, and delay into the system. The result is a more complex system that forces injured workers to hire an attorney, and pay that attorney out of their permanent disability benefits, just so they can navigate their claim.

ADDITIONAL CONSIDERATIONS

In addition to our general premise that the bill is based on the sponsor's erroneous conclusions that aren't supported by data, we'd offer the following observations:

- Roughly 50% of the IMR requests from 2014-2016 were to resolve disputes over pharmaceuticals. These requests will no longer be subject to UR or IMR as of 1/1/2018 because a drug formulary will have been implemented.
- This bill necessitates a complicated record-keeping process that the claims administrators must follow to demonstrate compliance when audited. Processes like this make claims administration more cumbersome and expensive, and takes attention away from the primary function of providing benefits to injured workers.

CONCLUSION

We are strongly opposed to AB 1295 because it is based in misunderstanding of the claims administration process, and it creates additional unnecessary bureaucratic barriers to the effective administration of claims. The data and legislative history on this subject don't lie – UR and IMR result in faster and more effective dispute resolution, and the delay that the sponsor is purportedly concerned with could easily be remedied if they were to simply apply a bit of discretion when requesting IMR.

Sincerely,

California Coalition on Workers' Compensation
California Chamber of Commerce
American Insurance Association
Association of California Insurance Companies
California State Association of Counties
CSAC Excess Insurance Authority
National Federation of Independent Business
California Manufacturers & Technology Association
California Association of Joint Powers Authorities
Association of California Healthcare Districts



JOB KILLER

March 14, 2017

TO: Members, Senate Committee on Labor and Industrial Relations

FROM: California Chamber of Commerce
 American Petroleum and Convenience Store Association
 Associated Builders and Contractors – San Diego Chapter
 California Ambulance Association
 California Association of Winegrape Growers
 California Farm Bureau Federation
 California League of Food Processors

California Manufacturers and Technology Association
 California Professional Association of Specialty Contractors
 California Retailers Association
 California Special Districts Association
 California State Association of Counties
 Camarillo Chamber of Commerce
 Carlsbad Chamber of Commerce
 Civil Justice Association of California
 CSAC - EIA
 El Dorado Hills Chamber of Commerce
 Fresno Chamber of Commerce
 Greater Bakersfield Chamber of Commerce
 Greater Conejo Valley Chamber of Commerce
 Greater Irvine Chamber of Commerce
 Greater Riverside Chamber of Commerce
 Greater San Fernando Valley Chamber of Commerce
 League of California Cities
 Lodi Chamber of Commerce
 Long Beach Area Chamber of Commerce
 Los Angeles Area Chamber of Commerce
 National Federation of Independent Business
 North Orange County Chamber of Commerce
 Murrieta Chamber of Commerce
 Orange County Business Council
 Oxnard Chamber of Commerce
 Palm Desert Area Chamber of Commerce
 Pleasant Hill Chamber of Commerce
 Plumbing-Heating-Cooling Contractors Association of California
 Rancho Cordova Chamber of Commerce
 Redondo Beach Chamber of Commerce
 San Diego Regional Chamber of Commerce
 Santa Maria Valley Chamber of Commerce Visitor and Convention Bureau
 Simi Valley Chamber of Commerce
 South Bay Association of Chambers of Commerce
 Southwest California Legislative Council
 Torrance Area Chamber of Commerce
 Western Electrical Contractors Association
 Western Growers Association
 Yuba-Sutter Chamber of Commerce

**SUBJECT: SB 63 (JACKSON) UNLAWFUL EMPLOYMENT PRACTICE: PARENTAL LEAVE
OPPOSE – JOB KILLER**

The California Chamber of Commerce respectfully **OPPOSES SB 63 (Jackson)**, which has been identified as a **JOB KILLER**, as it targets and will significantly harm small employers in California with as few as 20 employees by adding to the existing burden under which they already struggle. Governor Brown vetoed a similar, but narrower, proposal just last year.

SB 63 Will Overwhelm Small Employers with a New 12-Week Mandatory Leave of Absence:

SB 63 targets small employers with as few as 20 employees within a 75-mile radius and requires those employers to provide **12 weeks** of leave, in addition to the other leaves of absence California already imposes. This mandate will overwhelm small employers as follows:

- (1) **SB 63 Creates a Combined 7-Month Protected Leave of Absence on Small Employers:**
California already requires employers with 5 or more employees to provide up to 4 months of protected leave for an employee who suffers a medical disability because of pregnancy. **SB 63** will add another 12 weeks of leave for the same employee, **totaling 7 months of potential protected**

leave. Such an extensive period of time is unreasonable for a small employer with a limited workforce to accommodate.

- (2) **SB 63 Could Impact Worksites that Have Substantially Fewer than 20 Employees:** **SB 63** is applicable to any employer that has 20 or more employees within a 75-mile radius. Employees at multiple worksites are aggregated together to reach the employee threshold under this proposal. Accordingly, a worksite that only has 5 employees will be required to accommodate this mandatory leave if there are other worksites in a 75-mile radius that have enough employees to reach the 20 employee threshold. The worksite of the employee who takes the leave is the location that will be impacted by the protected leave. Exposing employers with a limited number of employees at a worksite to this extensive mandatory leave will create a hardship.
- (3) **SB 63 Imposes a Mandatory Leave, with No Discretion to the Employer:** As a “protected leave,” with a threat of litigation to enforce it, **SB 63** mandates the small employer to provide 12 weeks of leave. The leave under **SB 63** must be given at the employee’s request, regardless of whether the employer has other employees out on other California required leaves. This mandate on such a small employer with a limited workforce creates a significant challenge for the employer’s ability to maintain operations.
- (4) **SB 63 Imposes Additional Costs on Small Employers that Are Struggling with the Increased Minimum Wage:** Even though the leave under **SB 63** is not “paid” by the employer, that does not mean the small employer will not suffer added costs. While the employee is on leave, the employer will have to: (1) maintain medical benefits while the employee is on leave; (2) pay for a temporary employee to cover for the employee on leave, usually at a higher premium; or, (3) pay overtime to other employees to cover the work of the employee on leave. The cost of overtime is higher given the increase of the minimum wage, which will add to the overall cost on small employers.
- (5) **SB 63 Exposes Small Employers to Costly Litigation:** **SB 63** labels an employer’s failure to provide the 12 week leave of absence as an “unlawful employment practice.” This label is significant as it exposes an employer to costly litigation under the Fair Employment and Housing Act (FEHA). An employee who believes the employer did not provide the 12 weeks of protected leave, failed to return the employee to the same or comparable position, failed to maintain benefits while out on the 12 weeks of leave, or took any adverse employment action against the employee for taking the leave, could pursue a claim against the employer seeking: compensatory damages, injunctive relief, declaratory relief, punitive damages, and attorney’s fees.

A 2015 study by insurance provider Hiscox regarding the cost of employee lawsuits under FEHA estimated that the cost for a small-to mid-size employer to defend and settle a single plaintiff discrimination claim was approximately \$125,000.

Last year, SB 654, a similar yet narrower proposal was vetoed by Governor Brown. SB 654 mandated small employers to provide 6 weeks of leave, instead of 12 weeks as proposed in **SB 63**. In his veto message, Governor Brown stated:

“It goes without saying that allowing new parents to bond with a child is very important and the state has a number of paid and unpaid benefit programs to provide for that leave. I am concerned, however, about the impact of this leave particularly on small businesses and the potential liability that could result. As I understand, an amendment was offered that would allow an employee and employer to pursue mediation prior to a lawsuit being brought. I believe this is a viable option that should be explored by the author.”

Despite Governor Brown's request to consider options/amendments to limit litigation, **SB 63** continues to expose small employers to costly litigation that will simply overwhelm them.

California Already Imposes Numerous Family-Friendly Leaves of Absence on Employers: California is already recognized by the National Conference of State Legislatures as one of the most family-friendly states given its list of programs and protected leaves of absence, including: paid sick days, school activities leave, kin care, paid family leave program, pregnancy disability leave, and the California Family Rights Act. This list is in addition to the leaves of absence required at the federal level. In a recent study titled "The Status of Women in the States: 2015 Work & Family," California was ranked No. 2 for work and family policies that support workers keeping their jobs and also caring for their family members. Imposing an additional 12-week, mandatory leave of absence targeted specially at small employers is unduly burdensome.

For these reasons, we respectfully **OPPOSE SB 63** as a **JOB KILLER**.

cc: The Honorable Hannah-Beth Jackson
Camille Wagner, Office of the Governor
Gideon Baum, Senate Committee on Labor and Industrial Relations
Cory Botts, Senate Republican Caucus
Department of Industrial Relations
Labor and Workforce Development Agency
District Offices, Senate Committee on Labor and Industrial Relations

JB:ll



March 15, 2017

The Honorable Senator Benjamin Allen
California State Senate
State Capitol, Room 5072
Sacramento, CA 94929

Re: SB 720 – Government Tort Liability: Immunity: Beach Fire Pits

Dear Honorable Senator Allen:

CSAC EIA is a California Joint Powers Authority representing approximately 1,600 public entities statewide. Our membership includes 95% of the counties in California and nearly 60% of the cities, as well as numerous school districts, special districts, housing authorities, fire districts, and other Joint Powers Authorities. We wish to express our support for SB 720.

Our public entities have been the subject of litigation as a result of injuries caused by the use of a fire pit, fire ring, fire circle, or barbecue grill located in recreational areas. Unfortunately, they and their communities have had to use public funds to defend themselves against such claims as well as to pay the resulting settlements or judgements. Recreational activities at parks, beaches, and other areas such as campgrounds, in the communities of public entities, is important and oftentimes a vital source of revenue. With the use of these areas, and depending upon the activity the participants are engaging in, there is an inherent risk of harm. While our public entity members do everything they can to post signage and keep areas clean and clear, it is inevitable that they will be brought into litigation if someone is harmed. We appreciate your efforts to expand immunities afforded to public entities for recreational activities such as fires and barbecues that the public engages in at their own risk.

As a result we respectfully support of SB 720

Sincerely,

Michael Pott
Chief Claims Officer
mpott@csac-eia.org

cc Senator Hanna-Beth Jackson, Chair of the Senate Standing Committee on Judiciary
Member of the Senate Standing Committee on Judiciary

LEGISLATIVE COMMITTEE MEETING
April 27, 2017

AGENDA ITEM: 3.C.

SUBJECT: General Discussion of Legislative Issues

ACTION FOR CONSIDERATION:

Provide direction to staff on any additional action required.

BACKGROUND:

To provide a forum for discussion of legislative, judicial, administrative, and other issues that will impact public entity claims.

FISCAL IMPACT: None

RECOMMENDATION: None

TYPE OF VOTE REQUIRED: Consensus or majority vote of the Committee (6)