



## **School Insurance News Round Up (April 20, 2007)**

Committee hearings are well underway on hundreds of bills, including those that could have an affect on school insurance. Last week's tragic incident at Virginia Tech University set in motion new legislative efforts around school safety. Additionally, both the Senate and Assembly Insurance Committees heard bills intended to modify Workers' Compensation reforms. The deadline for bills that have a fiscal impact to pass out of a policy committee is April 27. Bills that do not meet this deadline cannot be considered again until next year. The next step and arguably the most difficult hurdle for bills is the fiscal committee. Recent state budget revenue projections continue to show lower revenues than projected last January, making any bill that has a cost likely veto material.

### **BILLS TO WATCH (by category):**

#### **School Liability**

##### **[AB 331 \(Emmerson\): School Safety: Persistently Dangerous Schools](#)**

**Summary:** This bill would require the assessment of classroom discipline and climate for learning, currently included in the school accountability report card, to also include, for a school that meets the criteria for a "persistently dangerous" school, the number of incidents of various specified types of criminal violations that occurred at that school during the applicable period of 3 consecutive fiscal years.

**STATUS: FAILED PASSAGE IN ASSEMBLY EDUCATION**

##### **[AB 743 \(Solorio\): School Safety: Security Officers](#)**

**Summary:** This bill would require every school district to maintain a minimum ratio of one school security officer for every 500 pupils enrolled at each of its middle schools and comprehensive high schools. By requiring school districts to provide a higher level of service with respect to school security officers, the bill would impose a state-mandated local program.

**STATUS: ASSEMBLY EDUCATION**

##### **[AB 810 \(Lieu\): School Safety Plans](#)**

**Summary:** This bill would require schools to make copies of their school safety plans available upon request to parents and to teachers other members of the school staff. Schools would also be required to notify parents, teachers, and other members of the school staff regarding revisions to the plan. As amended the bill would suspend a principal's credential for one year if the school plan wasn't in place. The bill would impose a state-mandated local program.

**STATUS: PASSED ASSEMBLY EDUCATION 7-0, TO APPROPRIATIONS**

##### **[AB 1659 \(Lieber\): Special Education Procedural Safeguards](#)**

**Summary:** This bill would revise various rights and procedures required for special education due process hearings, including, among others, those relating to witness lists, hearing extensions, closing argument preparation, and telephonic pre-hearing conferences.

**STATUS: ASSEMBLY EDUCATION**

## Workers' Compensation

### [AB 338 \(Coto\): Workers' Compensation: Permanent Disability](#)

**Summary:** As amended this bill increases the number of weeks that temporary disability benefits may be paid to an injured worker from 104 to 156 and makes other changes regarding benefits.

**STATUS: ASSEMBLY APPROPRIATIONS**

### [AB 644 \(Dymally\): Workers' Compensation: Medical Treatment Utilization Review](#)

**Summary:** This bill would require any physician who conducts a medical treatment utilization review to have intimate knowledge of the issue submitted for review. The bill would also require the utilization review process to be conducted as a peer-to-peer evaluation process directed toward an evaluation of the medical treatment requested by the physician treating an injured worker, and not to an examination of the specialty of physician requesting the treatment.

**STATUS: ASSEMBLY INSURANCE**

### [AB 812 \(Hernandez\): Workers' Compensation: Audits](#)

**Summary:** This bill would provide that if an employer fails to provide reasonable access to payroll records for a payroll verification audit, the employer shall pay a premium to the carrier or self-insurer not to exceed three times the carrier's then-current estimate of the annual premium on the expiration date of the policy. The employer shall also be liable for costs, as specified.

**STATUS: ASSEMBLY INSURANCE**

### [AB 1073 \(Nava\): Workers' Compensation: Medical Treatment Utilization Schedule](#)

**Summary:** This bill would also prohibit the limit on the number of chiropractic, occupational therapy, and physical therapy visits from applying to visits for post-surgical physical medicine and rehabilitative services.

**STATUS: ASSEMBLY INSURANCE**

### [AB 1212 \(Núñez\): Workers' Compensation: Permanent Disability](#)

**Summary:** This bill will require the Division of Workers' Compensation to revise the permanent disability rating schedule no later than January 1, 2009 based on empirical studies of ratings and wage losses.

**STATUS: ASSEMBLY INSURANCE**

### [AB 1341 \(Benoit\): Workers' Compensation: Temporary Disability](#)

**Summary:** This bill would make various changes to the period during which an injured worker can collect benefits and decreases the minimum temporary disability benefits. It is sponsored by the California Chamber of Commerce.

**STATUS: ASSEMBLY INSURANCE**

### [AB 1699 \(LaMalfa\): Workers' Compensation: Seasonal Employee Permanent Disability](#)

**Summary:** This bill would also provide that, for injuries occurring on or after January 1, 2008, an employee who, at the time of injury, was employed in a seasonal position or in a position that was expected to last less than 12 months shall not be eligible to receive these increased payments.

**STATUS: ASSEMBLY INSURANCE**

### [SB 906 \(Runner\): Workers' Compensation: Claims Processing](#)

**Summary:** This bill would authorize a pharmacy, health care provider, insurer, or self-insured entity that provides benefits or treatment for an injured worker under a workers' compensation claim to contract with an agent or assignee for the purposes of claims processing, assignment of claims, processing and receiving payments, or filing required reports on behalf of the pharmacy, health care provider, insurer, or self-insured entity.

**STATUS: SENATE LABOR AND INDUSTRIAL RELATIONS**

### [SB 942 \(Migden\): Workers' Compensation: Employee Reinstatement](#)

**Summary:** This bill would provide that there is a rebuttable presumption that an employer has discriminated against an employee if, after the employee has been disabled from work as a result of injury

or illness arising out of, or in the course of, employment pursuant to which the employee is eligible to receive workers' compensation benefits, the employer refuses to reinstate the employee to his or her regular position with full wages and benefits within five working days after receipt of a written statement by the employee's treating physician that the employee is able to perform the full requirements of the employee's regular position, notwithstanding the inherent risks of the position, without risk of further injury to the employee or other employees in the workplace.

The bill would make it a misdemeanor for an employer to refuse to reinstate an employee to his or her pre-injury position pursuant to these provisions. The bill would provide that it shall also be a violation of those provisions for an employer to require an employee to perform additional physical duties that were not required of the employee prior to his or her injury or illness as a condition for returning to employment. This bill would impose a state-mandated local program.

**STATUS: SENATE LABOR AND INDUSTRIAL RELATIONS**

### **Joint Powers Agencies**

#### **[AB 1463 \(Eng\): Public school employers: Joint Powers Agencies](#)**

**Summary:** This bill would expand the definition of "public school employer" or "employer" to include joint powers agencies created as an entity separate from the parties to the joint powers agreement with separate employees that meet certain additional criteria. The bill, by requiring those newly created joint powers agencies to engage in collective bargaining with their separate employees, would impose a state-mandated local program.

**STATUS: ASSEMBLY APPROPRIATIONS**

### **Other**

#### **[AB 1653 \(Horton\) Insurance Commissioner](#)**

**Summary:** This bill would make the constitutional office of the Insurance Commissioner a non partisan office.

**STATUS: FAILED PASSAGE**

#### **[SB 339 \(Scott\) Mutual Fund Investments](#)**

**Summary:** Existing law provides that an insurer may make excess fund investments in shares of an open-end diversified investment company, as defined, under specified conditions. This bill would revise and recast the conditions applicable to an investment company in which a domestic incorporated insurer may make excess fund investments.

**STATUS: SENATE APPROPRIATIONS**