



August 17, 2018

Sacramento, California

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State Senate

State Assembly

Department of
Insurance

Secretary of State

Assembly Appropriations Committee Takes Action At Legislative Deadline

Yesterday, the Assembly Appropriations Committee took action, or in some cases no action, on bills with fiscal impact to state or local government.

Approved Legislation

The following measures were passed by the Assembly Appropriations Committee for referral to the Full Assembly. Below, there is an indication whether a bill passed on an "A" Roll Call or "B" Roll Call. An "A" Roll Call is a vote in favor by all Committee Members. A "B" Roll Call is a vote where the Democrat Majority Party votes in favor and the Republican Minority Party votes against. The Assembly has until August 31, 2018 to vote on these bills, which is the 2018 adjournment.

SB 212 (Jackson, Dem-Santa Barbara) Pharmaceutical & Sharps Waste

Summary: This bill establishes a pharmaceutical and sharps waste stewardship program, under which each manufacturer of covered drugs or sharps in the state would be required to establish and implement, either on its own or as part of a group of covered manufacturers through membership in a pharmaceutical and sharps waste stewardship organization, a pharmaceutical and sharps waste stewardship program.

Support & Opposition: This bill is supported by local governments across the state, labor unions, and sanitation authorities. The legislation is opposed by the California Life Sciences Association, California Pharmacists Association, California Hospital Association, among 8 other sizable industry groups.

Vote: B Roll Call

SB 327 (Jackson, Dem-Santa Barbara) Connected Device Information Privacy

Summary: Beginning in 2020, this bill requires a manufacturer of a connected device to equip the device with a reasonable security feature or features, appropriate to the nature and function of the device, and the information it may collect, contain, or transmit, designed to protect the device and any information contained therein from unauthorized access, destruction, use, modification, or disclosure.

Official Legislative Information

Support & Opposition: This bill is supported by Consumers Union, Privacy Rights Clearinghouse, and Consumer Attorneys of California, among 10 other like minded organizations. The 4 registered opponents include the Custom Electronic Design & Installation Association.

Vote: B Roll Call

SB 824 (Lara, Dem-Bell Gardens) Homeowners Insurance Renewal

Summary: This legislation requires an insurer to renew homeowners' insurance policies after a declaration of emergency and requires insurers to submit wildfire loss data to the Department of Insurance. It makes findings regarding the increasing risk of catastrophic wildfires due to climate change and the need for the Department to collect more data. It also prohibits an insurer from canceling or not renewing a policy for one year from the date of a declaration of a state of emergency, based solely on the fact the property is in a county where a state of emergency has been declared.

Support & Opposition: The bill is supported by the Department of Insurance, Consumer Attorneys of California, and the League of California Cities. While all the major property and casualty insurer trade associations – the American Insurance Association, National Association of Mutual Insurance Companies, Pacific Association of Domestic Insurance Companies, and Personal Insurance Federation of California – oppose the bill, it has been amended to make it more workable.

Vote: A Roll Call

SB 826 (Jackson, Dem-Santa Barbara) Female Corporate Board Membership

Summary: This measure requires a corporation or foreign corporation that is publicly held whose principal executive offices are located in California to have a minimum of one female on its board of directors. By December 31, 2021, the bill increases that required minimum number to 2 female directors if the corporation has 5 authorized directors or 3 female directors if the corporation has 6 or more authorized directors. The bill requires the Secretary of State to publish reports on its website documenting the number of corporations in compliance with these provisions.

Support & Opposition: This bill is sponsored by the National Association of Women Owned Businesses – California, and it is supported by the Consumer Attorneys of California as well as Small Business California. The opposition is led by the California Chamber of Commerce and is opposed by the Personal Insurance Federation of California, 7 large industry trade organizations, and 12 local chambers of commerce.

Vote: A Roll Call, Republicans Not Voting

SB 937 (Wiener, Dem-San Francisco) Workplace Lactation Accommodation

Summary: This bill requires a lactation room or location to include prescribed features and requires an employer to provide access to a sink and refrigerator in close proximity to the employee's work space. The bill requires an employer to develop and implement a policy regarding lactation accommodation and make it available to employees. This bill provides a private right of action for noncompliance.

Support & Opposition: The bill is supported by the California Employment Lawyers Association, California Labor Federation, and California Teachers Association. Opponents include the California Chamber of Commerce, American Insurance Association, and 8 large industry trade groups.

Vote: B Roll Call

SB 1013 (Lara, Dem-Bell Gardens) Fluorinated Refrigerants Restriction

Summary: Current law prohibits the manufacture and sale of specified chlorofluorocarbons (CFCs) as aerosol propellants, limits the percentage of new motor vehicles equipped with air-conditioners that utilize CFC-based products, requires the Air Resources Board to adopt regulations to provide for the enforcement of those provisions, and imposes a civil penalty on persons violating those provisions. This bill applies all prohibitions on the use of class I substances, class II substances, and substitutes, under the federal Clean Air Act.

Support & Opposition: This bill is supported by the International Institute of Ammonia Refrigeration, American Lung Association and California League of Conservation Voters, as well as 18 other environmental, business, and trade organizations. The bill is opposed by Arkema, Mexichem, Dow Chemical, the Association of Home Appliance Manufacturers, among others.

Vote: A Roll Call, Republicans Not Voting

SB 1021 (Wiener, Dem-San Francisco) Prescription Drug Cost Cap

Summary: Current law prohibits the formularies for outpatient prescription drugs maintained by a healthcare service plan or health insurer from discouraging the enrollment of individuals with health conditions and from reducing the generosity of the benefit for enrollees or insureds with a particular condition. Current law, until January 1, 2020, provides that the copayment, coinsurance, or any other form of cost sharing for a covered outpatient prescription drug for an individual prescription not exceed \$250 for a supply of up to 30 days. This bill extends those provisions until January 1, 2024.

Support & Opposition: This bill is sponsored by Health Access California and supported by the American Federation of State, County & Municipal Employees, among 11 other labor unions and health organizations. The bill has no registered opposition.

Vote: A Roll Call

SB 1077 (Wilk, Rep- R) Construction Wrap-Up Insurance

Summary: Current law regulates the use of wrap-up insurance or other consolidated insurance programs in connection with construction projects. Current law distinguishes, in this regard, between residential construction projects, private residential works of improvement, and public works and other projects that are not residential. This bill recasts the wrap-up insurance or other consolidated insurance program requirements for public and other works of improvement that are not residential construction, entered into or amended on and after January 1, 2019, to track generally the requirements that apply to residential projects.

Support & Opposition: This bill is sponsored by the American Subcontractors Association of California and supported by 17 other builder industry trade organizations and labor unions.

The bill is opposed by the Association of California Healthcare Districts and 3 other sizable local government associations.

Vote: A Roll Call, Republicans Not Voting

SB 1254 (Stone, Rep-Palm Springs) Hospital Pharmacy Medication Profiles

Summary: This bill requires a pharmacist at a hospital pharmacy to obtain an accurate medication profile or list for each high-risk patient upon admission of the patient. The bill authorizes an intern pharmacist to perform the task of obtaining an accurate medication profile or list for a high-risk patient. The bill requires the hospital to establish criteria regarding who is a high-risk patient, and determine a timeframe for completion of the medication profile or list, based on the populations served by the hospital.

Support & Opposition: This bill is supported by the California Hospital Association and opposed by the American College of Emergency Physicians and United Nurses Association of California.

Vote: A Roll Call

SB 1260 (Jackson, Dem-Santa Barbara) Prescribed Fire Burns

Summary: Current law requires a local agency to designate, by ordinance, very high fire hazard severity zones in its jurisdiction, as provided in connection with a state program for fire prevention. This bill requires the local agency to transmit a copy of the adopted ordinance to the Board of Forestry and Fire Protection within 30 days of adoption. The measure provides for updated standards that include comprehensive site and structure fire risk reduction and more prescriptive requirements around prescribed burns.

Support & Opposition: This bill is supported by the California State Association of Counties, Nature Conservancy, as well as 11 other environmental organizations and agricultural industry trade groups. The measure has no formal opposition.

Vote: Passed 15-0, Republican Assembly Members Frank Bigelow (Placerville) and Will Brough (Dana Point) Not Voting

SB 1272 (Galgiani, D-Stockton) Tax Recovery & Criminal Enforcement Taskforce

Summary: This measure establishes the Tax Recovery and Criminal Enforcement (TRaCE) Taskforce in the Department of Justice to combat underground economic activities through a multi-agency collaboration to pool resources, collaborate and share data, prosecute violations, and recover state revenue lost to the underground economy. This bill requires TRaCE teams to be located in Sacramento, Los Angeles, San Diego, the San Francisco Bay Area, and Fresno. It also establishes a TRaCE Taskforce executive board and TRaCE team committees to ensure multi-agency collaboration.

Support & Opposition: This bill is sponsored by the Office of the Attorney General, and supported by the California Pool & Spa Association, California State Council of Laborers, and 6 large unions. This bill has no opposition.

Vote: A Roll Call, Republicans Not Voting

SB 1300 (Jackson, Dem-San Diego) Sexual Harassment Legal Standard

Summary: This measure provides that a plaintiff in an action alleging that a defendant failed to take all reasonable steps necessary to prevent discrimination and harassment from occurring is not required to prove that the plaintiff endured harassment or discrimination and provides that it suffices for the plaintiff to show that the employer knew that the conduct was unwelcome to the plaintiff, that the conduct would meet the legal standard for harassment or discrimination if it increased in severity or becomes pervasive, and that the defendant failed to take all reasonable steps to prevent the same or similar conduct from recurring.

Support & Opposition: This bill is sponsored by the California Employment Lawyers Association and Equal Rights Advocates. It is opposed by the California Chamber of Commerce, along with over 15 industry trade groups and 12 local chambers.

Vote: A Roll Call, Republicans Not Voting

SB 1343 (Mitchell, Dem-Los Angeles) Workplace Sexual Harassment Training Requirements

Summary: This legislation requires an employer who employs 5 or more employees to provide at least 2 hours of sexual harassment training to all employees by January 1, 2020, and once every 2 years after that. The bill requires the Department of Fair Employment and Housing to develop a 2-hour video training course on the prevention of sexual harassment in the workplace.

Support & Opposition: The bill is supported by 16 organizations, including 10 labor unions, such as California Teamsters, and the Consumer Attorneys of California. There is no longer opposition.

Vote: A Roll Call, Republicans Not Voting

SB 1375 (Hernandez, Dem-Alhambra) Small Employer Group Health Insurance

Summary: This bill prohibits employer group health benefit plans from being issued through any arrangement, to a sole proprietorship or partnership without employees. It requires only individual health benefit plans to be sold to any entity without employees. The bill also revises the definition of eligible employee for purposes of all small employer health plan contracts and health insurance policies to exclude sole proprietors or their spouses, and partners or their spouses. The bill does not apply to multiple employer welfare arrangements regulated pursuant to Article 4.7 (commencing with Section 742.20) of Chapter 1 of Part 2 of Division 1 that provide healthcare benefits to their members on a self-funded or partially self-funded basis and that comply with small group health reforms.

Support & Opposition: The bill is supported by 10 organizations, including the American Federation of State, County & Municipal Employees and Blue Shield of California. There is no registered opposition.

Vote: B Roll Call

SB 1447 (Hernandez, Dem-Alhambra) Pharmacy Automated Drug Delivery Systems

Summary: Current law requires a pharmacy that owns or provides dangerous drugs dispensed through an automated drug delivery system (ADDS) to register the system. This bill

instead requires an ADDS to meet requirements in order to be installed, leased, owned, or operated in the state, including a license for the ADDS issued by the Board of Pharmacy to the holder of a valid and active pharmacy license.

Support & Opposition: This bill sponsored by the Board of Pharmacy and supported by Scripps Health Pharmacy. It is opposed by the California Hospital Association.

Vote: A Roll Call, Republicans Not Voting

Held Legislation

The following bills did not receive a vote and are no longer eligible for consideration in 2018.

SB 930 (Hertzberg, Dem-Van Nuys) Cannabis Banking

Summary: This bill creates the Cannabis Limited Charter Banking and Credit Union Law, to be administered by the Department of Business Oversight. The bill creates the Cannabis Limited Charter Bank and Credit Union Advisory Board and specifies its composition, to include the Treasurer, the Controller, and the Chief of the Bureau of Cannabis Control.

Support & Opposition: This bill is sponsored by the Board of Equalization and supported by the Cannabis Distribution Association and Service Employees International Union, among 4 other local governments and their organizations. There is no registered opposition.

SB 1255 (Hernandez, Dem-Alhambra) Health Insurance Financial Assistance

Summary: This legislation requires Covered California to administer financial assistance to help low and middle income Californians access affordable coverage if the Legislature appropriates funds for that purpose. The bill provides that priority for financial assistance be given to an individual whose premium payment is equal to or greater than 8% of his or her annual household income or an individual whose annual household income is equal to or greater than 200% of the federal poverty level.

Support & Opposition: This bill is supported by the American Cancer Society, American Federation of State, County & Municipal Employees, as well as 19 others, including health advocacy organizations. The bill does not have any opposition.

SB 1264 (Stone R) Medi-Cal Hypertension Medication Management

Summary: This bill provides hypertension medication management services as a covered pharmacist service under the Medi-Cal program with the intention of helping increase medication adherence and utilization. The bill intends for patients who receive proper pharmacist support to be less likely to require hospitalization as a result of nonadherence to their prescriber's directions.

Support & Opposition: This bill is supported by the California Pharmacists Association. The California Academy of Family Physicians is opposed unless amended to apply only to advanced practice pharmacists.

SB 1284 (Jackson, Dem-Santa Barbara) Employer Paydata Reporting

Summary: This bill requires private employers with more than 100 employees to submit an annual paydata report to the Department of Industrial Relations. This bill requires the Department to make the reports available to the Department of Fair Employment and Housing upon request. It imposes a civil penalty of \$500 on any employer who does not comply with the reporting requirement, and requires any penalties collected to be deposited into the Labor Enforcement and Compliance Fund, to be allocated upon appropriation by the Legislature to the Division of Labor Standards Enforcement to enforce wage differential laws.

Support & Opposition: The bill is supported by the Consumer Attorneys of California and the Service Employees International Union – California. There are 20 local chambers in opposition, in addition to the California Chamber of Commerce, as well 11 large industry trade organizations.

Senate Appropriations Committee Takes Action At Legislative Deadline

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AB 237 (Gonzalez-Fletcher, Dem-San Diego) Small Dollar Loan Pilot Program

Summary: The California Financing Law, until January 1, 2023, establishes the Increased Access to Small Dollar Loans Pilot Program, which requires licensees and other entities that wish to participate in the pilot program to file an application and pay a fee to the state to participate in the program. The program authorizes a licensee to impose alternative interest rates and charges, including an administrative fee and delinquency fees, on unsecured loans of at least \$300 and less than \$2,500. This bill increases the upper limit on the amount of a permissible loan under the pilot program from \$2,500 to \$7,500.

Support & Opposition: This bill is supported by 15 entities, including the Silicon Valley Leadership Group and California Hispanic Chambers of Commerce. The opposition is composed of 23 organizations, including the Consumer Credit Industry Association, California Financial Services Association, and Center for Responsible Lending.

Vote: A Roll Call

AB 1751 (Low, Dem-San Jose) CURES Interstate Database

Summary: This bill requires the Department of Justice, no later than July 1, 2020, to adopt regulations regarding the access and use of the information within the Controlled Substance Utilization Review and Evaluation System (CURES) by consulting with stakeholders, and addressing certain processes, purposes, and conditions in the regulations. The bill authorizes the Department, once those regulations have been adopted, to enter into an agreement with any entity operating an interstate data sharing hub, or any agency operating a prescription drug monitoring program in another state, for purposes of interstate data sharing of prescription drug monitoring program information.

Support & Opposition: This bill is supported by the Board of Pharmacy. The California Medical Association registered opposition to the measure.

Vote: A Roll Call

AB 1753 (Low, Dem-San Jose) CURES Database Prescription Serial Number

Summary: Current law requires prescription forms for controlled substance prescriptions to be obtained from security printers approved by the Department of Justice (DOJ). Current law requires a dispensing pharmacy, clinic, or other dispenser to report specified information to the Department. This bill authorizes the DOJ to reduce or limit the number of approved printers to three. The bill requires prescription forms for controlled substance prescriptions to have a uniquely serialized number and requires a printer to submit prescription information to the DOJ for all prescription forms delivered.

Support & Opposition: This bill is supported by the California Police Chiefs Association and California Life Sciences Association. There is no registered opposition.

Vote: A Roll Call

AB 1766 (Maienschein, Rep-San Diego) Public Swimming AED Requirement

Summary: This bill requires 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. The bill also requires the Department of Education, in consultation with the Department of Public Health, to issue best practices guidelines related to pool safety at Kindergarten-12 schools.

Support & Opposition: This bill is supported by the American Heart Association and American Stroke Association, as well as 8 health advocacy groups and individual city governments.

Vote: A Roll Call

AB 1863 (Jones-Sawyer, Dem-Los Angeles) Commercial Cannabis Activity Income Tax Deduction

Summary: This bill allows taxpayers to deduct ordinary and necessary business expenses related to commercial cannabis activity. It amends state personal income tax law to decouple from a section of the Internal Revenue Code for businesses that are commercial cannabis activity and conducted by a licensee, and is effective beginning with taxable year 2018.

Support & Opposition: This bill is sponsored by the California Cannabis Industry Association and supported by several local chambers of commerce. There is no known opposition.

Vote: B Roll Call

AB 1870 (Reyes, Dem-San Bernardino) Unlawful Employment Practices

Summary: The Fair Employment and Housing Act makes discrimination against or harassment of employees unlawful. Current law authorizes a person claiming to be aggrieved by an alleged unlawful practice to file a complaint with the Department of Fair Employment and Housing within one year from the date upon which the unlawful practice occurred. This bill extends the period to 3 years for which complaints alleging unlawful employment practices may be filed with the Department.

Support & Opposition: This bill is supported by the American Civil Liberties Union, California Employment Lawyers Association, and California Teamsters, among 16 other unions and consumer groups. The opposition is led by the California Chamber of Commerce, 15 large industry trade organizations, as well as multiple local chambers of commerce.

Vote: Passed 5-1, Republican Senator Jim Nielsen (Chico) Not Voting

AB 1875 (Wood, Dem-Santa Rosa) Online Home Insurance Finder

Summary: This bill requires the Department of Insurance (CDI) to establish a Home Insurance Finder on its website to help homeowners connect with an insurance agent or broker for residential property insurance. The bill requires the Department to survey agents, brokers, insurers, and appropriate trade associations about inclusion in the finder. The bill also requires an insurer that offers replacement cost coverage but does not offer extended replacement cost coverage to disclose that to a homeowner. The insurer is also required to disclose to CDI the amount of replacement cost offered.

Support & Opposition: The Department of Insurance, Independent Insurance Agents & Brokers of California, Property Casualty Insurers Association of America, American Insurance Association, and Pacific Association of Domestic Insurance Companies support the bill. There is no opposition.

Vote: A Roll Call

AB 1906 (Irwin, Dem-Thousand Oaks) Connected Device Information Privacy

Summary: This bill, beginning in 2020, requires a manufacturer of a connected device to equip the device with a reasonable security feature or features, appropriate to the nature and function of the device, and the information it may collect, contain, or transmit, designed to protect the device and any information contained therein from unauthorized access.

Support & Opposition: This bill is supported by Technet. There is no registered opposition.

Vote: B Roll Call

AB 1998 (Rodriguez, Dem-Pomona) Opioid Safe Prescribing Policy

Summary: This bill requires healthcare practitioners, with the exception of veterinarians, who prescribe, administer, or furnish opioids classified as Schedule II and Schedule III to adopt, review, and periodically update a safe opioid prescribing policy. The bill prohibits the safe opioid prescribing policy from placing a limitation on the prescription, ordering, administration, or furnishing of opioids to patients with prescribed conditions.

Support & Opposition: This bill is supported by America's Physician Groups and 7 other medical and law enforcement trade organizations. The California Academy of Family Physicians is opposed to the bill.

Vote: A Roll Call

AB 2037 (Bonta, Dem-Alameda) Pharmacy Automated Drug Delivery Systems

Summary: This bill provides an alternative program to authorize a pharmacy to provide services to entities that are eligible for discount drug programs under federal law through the use of an automated drug delivery (ADD) system. The pharmacy is responsible for obtaining a license from the Board of Pharmacy to operate the ADD at the covered entity, paying an application and renewal fee, and developing and implementing written policies and procedures to ensure the safety of drugs.

Support & Opposition: This bill is supported by the Health Alliance of Northern California and 6 other health advocacy organizations. There is no registered opposition.

Vote: A Roll Call

AB 2046 (Daly, Dem-Anaheim) Workers Compensation Insurance Fraud Reporting

Summary: This bill adopts two recommendations from the State Auditor regarding workers' compensation fraud fighting efforts: (1) requires that a governmental agency in possession of information relating to workers' compensation fraud to, upon request of another governmental agency that uses the information for purposes of investigation, prosecution, or detection of workers' compensation fraud, provide that information to the requesting agency, and (2) authorizes the Fraud Assessment Commission to augment, rather than offset, its annual assessment on employers to fund the workers' compensation fraud program with unused funds from previous assessments.

Support & Opposition: This bill is supported by the Property Casualty Insurers of California. There is no opposition.

Vote: A Roll Call

AB 2091 (Grayson, Dem-Concord) Prescribed Burn Insurance Pool

Summary: This bill requires the Department of Forestry and Fire Protection (CalFire), in consultation with the Department of Insurance, to develop and implement an insurance pool for prescribed burn managers with certification determined adequate by the Department. It also requires CalFire to establish a Prescribed Fire Advisory Committee to consult with the Department on prescribed fire issues.

Support & Opposition: No support or opposition is on file, as this is a newly introduced measure.

Vote: A Roll Call

AB 2167 (Chau, Dem-Arcadia) Digital Pill Privacy

Summary: This bill defines medical information for purposes of the Confidentiality of Medical Information Act to include any information in possession or derived from a digital health

feedback system, also known as a digital pill. The bill requires a manufacturer or operator that sells a device or software application that may be used with a digital pill to a consumer to equip the device or software application with security features appropriate to the nature of the device.

Support & Opposition: There is no registered support or opposition.

Vote: B Roll Call

AB 2188 (Mullin, Dem-San Mateo) Online Campaign Advertisement Disclosure

Summary: This bill requires online platforms that sell political advertisements to make information about the source of those political ads available to the public, (2) makes changes to the format for disclosures on electronic media ads that are required by existing law, and (3) requires disclosures to be included on electronic media ads that are paid for by political parties or candidates.

Support & Opposition: This bill is supported by the Department of Insurance and the California Clean Money Campaign, as well as 23 groups largely composed of consumer organizations. There is no registered opposition.

Vote: B Roll Call

AB 2275 (Arambula, Dem-Fresno) Medi-Cal Managed Care Quality Assessment

Summary: This bill requires the Department of Healthcare Services to establish a quality assessment and performance improvement program for Medi-Cal managed care plans, through which the plans would be required to meet a minimum performance level that improves quality of care and reduces health disparities for beneficiaries. The bill requires managed care plans that meet the performance targets to receive financial incentives. The bill requires the Department, in consultation with stakeholders, to develop a plan for a value-based financial incentive program.

Support & Opposition: This bill is supported by the American Association for Retired Persons and Consumer Union, as well as 21 other organizations, including health advocacy groups and organized labor. The California Association of Health Plans is opposed to the bill.

Vote: Passed 6-1, Republican Patricia Bates (Oceanside) Voting NO

AB 2276 (Burke D) Auto Body Repair Rate Surveys

Summary: This bill requires an auto body repair labor rate survey to meet standards, including that it randomly surveys the number of shops necessary to obtain responses that achieve a minimum confidence level of 90% and a standard error of no more than 10%. The bill eliminates a rebuttable presumption that the insurer has attempted, in good faith, to effectuate a fair and equitable labor rate or adjustment of the labor rate component of a written estimate if the survey complies with existing Department of Insurance regulations. The bill permits an insurer or auto body repair shop to negotiate a labor rate that is higher or lower than the prevailing auto body repair labor rate.

Support & Opposition: This bill is supported by the Personal Insurance Federation of California, Property Casualty Insurers Association of America, American Insurance Association, National Association of Mutual Insurers, Pacific Association of Domestic Insurers,

and California Chamber of Commerce. It is opposed by the California Autobody Association and Consumer Watchdog.

Vote: Passed 6-0, Republican Patricia Bates (Oceanside) Not Voting

AB 2384 (Arambula, Dem-Fresno) Medication Assisted Treatment

Summary: This bill requires a health plan and health insurer to provide medication assisted treatment and overdose prescription drugs for opioid use disorder; and prohibits health plans and insurers from using prior authorization, or fail first or step therapy and other utilization management requirements. The legislation sunsets on January 1, 2024.

Support & Opposition: This bill is sponsored by the California Medical Association and supported by 7 other health advocacy and physician associations. The Association of California Life & Health Insurance Companies, America's Health Insurance Plans, and the California Chamber of Commerce oppose the bill.

Vote: B Roll Call

AB 2395 (Calderon, Dem-Whittier) California Life & Health Insurance Guarantee Association

Summary: Current law provides that the California Life and Health Insurance Guarantee Association (CLHIGA) may guarantee, assume, or reinsure the policies of an impaired insurer. Current law authorizes the Association's board of directors to request that the Department of Insurance order an examination of a member insurer that may be impaired or insolvent. This bill requires CLHIGA to annually provide a financial report to the Department, which includes a list of insurers writing longterm care insurance that the Association has identified to be operating in a hazardous manner that may result in insolvency.

Support & Opposition: This bill is sponsored by the Association of California Life & Health Insurance Companies and supported by 4 large health insurers. There is no registered opposition.

Vote: A Roll Call

AB 2472 (Wood, Dem-Santa Rosa) Public Health Insurance Analysis

Summary: This bill requires Covered California to prepare an analysis and evaluation to determine the feasibility of a public health insurance plan option to increase competition and choice for healthcare consumers. The bill requires the feasibility analysis to include a state developed public health insurance plan; a discussion of potential funding and state costs for a public health insurance plan; and, an analysis of the extent to which a new public health insurance plan option could address the underlying factors that limit health plan choices in some regions.

Support & Opposition: The bill is supported by the American Federation of State, County & Municipal Employees California, and Consumer Union. There is no registered opposition.

Vote: Passed 5-1, Republican Patricia Bates (Oceanside) Not Voting

AB 2546 (Chau D) Commercial Email Advertisements

Summary: Current law prohibits a person or entity from initiating or advertising in unsolicited commercial email advertisements. This bill expands the definition of commercial email

advertisement to include an electronic mail message initiated for the purpose of advertising or promoting the lease, sale, rental, gift offer, promotion, or other disposition of stocks, bonds, sweepstakes, insurance, employment opportunities, or any other solicitation, excluding charitable or political solicitations.

Support & Opposition: This bill is supported by the Consumer Attorneys of California and the Privacy Rights Clearinghouse. The bill is opposed by the Association of California Life & Health Insurance Companies, California Manufacturers & Technology Association, as well as 10 large industry trade groups.

Vote: B Roll Call

AB 2565 (Chiu, Dem-San Francisco) Healthcare Cost Sharing

Summary: This bill requires Covered California to provide enhanced premium assistance to households with income below 400% of the federal poverty level (FPL) in addition to federal premium tax subsidies provided under the Affordable Care Act. If the household income is between 139% of the FPL to 400% of the FPL, premium assistance is provided on a sliding scale of 0.08% to 8.16%.

Support & Opposition: The bill is supported by the Department of Insurance, California Labor Federation, and Consumers Union, as well as 13 additional health advocacy organizations and senior groups.

Vote: A Roll Call

AB 2641 (Wood D) Cannabis Temporary Events

Summary: This bill authorizes the Bureau of Cannabis Control to issue a state temporary event license to a licensee under the Medicinal and Adult-Use Cannabis Regulation and Safety Act that meets prescribed requirements, including having a valid license, permit, or other authorization, issued by a local jurisdiction that enables the licensee to conduct commercial cannabis activity. It authorizes until January 1, 2024 cultivator and manufacturer temporary event retailer license applications. The bill prohibits temporary events at private residences, farmers markets, and point of sale locations.

Support & Opposition: The bill is sponsored by the California Growers Association and supported by the Cannabis Distribution Association and California Cannabis Industry Association, as well as 7 additional entities including organized labor and rural counties.

Vote: A Roll Call

AB 2693 (Wood D) Telecommunications Service Disaster Reports

Summary: This bill, upon the declaration of a state of emergency, requires the Public Utilities Commission to collect information from telecommunications service providers relating to the provider's efforts to restore service outages caused by, and to repair related network infrastructure that were damaged as a result of, the emergency or a natural disaster. The bill also requires the Commission to annually submit a report that summarizes the information collected, broken down by each emergency or natural disaster, to the Legislature and to post the report in a conspicuous area of its website.

Support & Opposition: The bill is sponsored by The Utility Reform Network and supported by the Consumer Federation of California. The bill is opposed by the California Cable & Telecommunications Association, CTIA Wireless Industry, AT&T, Verizon, and other large telecommunications carriers.

Vote: A Roll Call

AB 2802 (Friedman, Dem-Los Angeles) Insurance Payment Interception

Summary: Beginning January 1, 2020, this legislation requires an insurer to cooperate with the Department of Child Support Services to match claimants with obligors who owe past-due child support, and to report those claimants to the Department. The bill requires an insurer to match and report a claimant if his or her claim seeks an economic benefit, but exempts specified economic benefits, including a claim under a personal automobile insurance policy for actual repair, replacement, or loss of use of an insured vehicle.

Support & Opposition: This bill is sponsored by the Department of Insurance and supported by the Association of California Life & Health Insurance Companies, Personal Insurance Federation of California, Pacific Association of Domestic Insurance Companies, and American Insurance Association. There is no registered opposition.

Vote: A Roll Call

AB 3080 (Gonzalez-Fletcher, Dem-San Diego) Employment Discrimination Enforcement

Summary: This legislation prohibits an employer from, as a condition of employment or as a condition of entering into a contractual agreement, prohibiting an employee or independent contractor from disclosing to any person an instance of sexual harassment that the employee or independent contractor suffers, witnesses, or discovers in the workplace or in the performance of the contract.

Support & Opposition: This bill is sponsored by the California Labor Federation and supported by the American Civil Liberties Union of California and California Employment Lawyers Association. The opposition consists of the California Chamber of Commerce, 15 of the largest industry trade groups, and the Civil Justice Association of California.

Vote: B Roll Call

AB 3081 (Gonzalez-Fletcher, Dem-San Diego) Workplace Sexual Harassment

Summary: This bill prohibits an employer from discharging, discriminating or retaliating against an employee who is a family member of a victim of domestic violence, sexual assault, or stalking for taking time off work to assist and support the victim. The bill prohibits an employer from discharging discriminating or retaliating against an employee because the employee is a victim of sexual harassment. The measure creates a rebuttable presumption of unlawful retaliation if the employer discharges or takes any other adverse action against the employee within 90 days after the employee files a sexual harassment claim.

Support & Opposition: The bill is supported by the California Teamsters and several women's organizations, among 12 other entities. It is opposed by the California Chamber of Commerce, 13 business trade groups, and 12 local chambers.

Vote: B Roll Call

Held Legislation

The following bills did not receive a vote and are no longer eligible for consideration in 2018.

AB 1752 (Low, Dem-San Jose) CURES Database Schedule V Addition

Summary: This measure adds Schedule V controlled substances to the CURES database. The bill requires a dispensing pharmacy, clinic, or other dispenser to report the information required by the CURES database no more than one working day after a controlled substance is dispensed. The bill additionally requires the date of sale of the prescription, if applicable, to be reported.

Support & Opposition: This bill is supported by the County Behavior Health Directors of California. The Electronic Frontier Foundation is opposed to the legislation.

Prospect Of Electric Utility Fire Mitigation Fund Proposed Late In Legislative Session

In the wake of the Assembly-Senate Wildfire Preparedness and Response Conference Committee, several state legislators have raised the prospect of creating a fund to mitigate wildfire expenses. With negotiations intensifying over how California's electric utilities should help pay to fight wildfires, a prominent Republican lawmaker says the companies should contribute to a new multibillion-dollar fund that would help mitigate those expenses.

The proposal by Assembly Member Chad Mayes (Rep-Yucca Valley) creates the Wildfire Insurance Fund, a pool of money collected from utility companies that could be used to cover some of the "extraordinary costs arising from wildfires," according to the draft legislation. The proposal creates a state-governed entity to oversee the money contributed by investor-owned and municipal utilities. Exact contribution amounts are not outlined in the draft legislation and will be the subject of negotiations before the Legislature adjourns for the year at the end of August.

The wildfire authority would be governed by a nine-member board, with most of the directors chosen by the governor and some by legislative leaders. The goal of the plan is to create something akin to an additional layer of insurance coverage for the utilities. Assembly Member Mayes said his bill requires investor-owned utilities – a group that includes Pacific Gas & Electric, Southern California Edison, and San Diego Gas & Electric – to use money from shareholders to help fill the wildfire fund's coffers.

The proposal is being circulated among stakeholders involved in negotiations over a comprehensive wildfire liability plan, one of the most contentious issues left for legislators to resolve this month. Governor Jerry Brown has proposed loosening the process by which

utility companies are held liable for wildfire costs when their equipment contributes to sparking a blaze.

Senate Passes Insurance Measures Without Opposition For Assembly Concurrence

On Monday, **AB 479** (Gonzalez-Fletcher, Dem-San Diego) was approved by the Full Senate. It requires that, if an injured worker suffers breast cancer as an industrial injury, the impairment rating must include all of the following: 1) the presence or absence of the organ; 2) any loss of function of the upper extremity or extremities, including loss of the range of motion, neurological deficits, and lymphedema; 3) skin disfigurement; 4) pain; and, 5) other impairments caused by the breast cancer, lack of the organ, or treatment related to the injury. The legislation requires that, for the purposes of determining an impairment rating due to an injured worker suffering breast cancer as an occupational injury, whether the person is of childbearing age or not cannot be a determining factor when determining impairment.

Supporters, which include the California Applicants' Attorneys Association (cosponsor), California Professional Firefighters (cosponsor), and the California School Employees Association, argue the bill ensures that physicians consider all impairments resulting from breast cancer, including those caused by breast cancer treatment, when assessing an employee's workers' compensation claim. There is no registered opposition to the bill.

The Senate also passed **AB 1697** (Daly, Dem-Anaheim) without opposition, which creates authorization for the Department of Industrial Relations – Division of Workers Compensation to create an anti-fraud support unit. In a 2016 letter to the Commission on Health and Safety and Workers Compensation, the Senate Labor Committee identified fraud as a specter haunting the workers' compensation system and presenting a fundamental challenge to the operation of the system for all stakeholders. Specifically, the letter cited more than \$1 billion in fraudulent activity by a variety of medical providers. While all of the schemes were different, each had one common feature: the use of the workers' compensation lien system to monetize the fraud. The Department of Finance opposes the bill because of duplicative, existing anti-fraud work in place.

The Senate also approved **AB 2594** (Friedman, Dem-Los Angeles), which revises the standard form fire insurance policy to extend the statute of limitations to bring suit to 24 months after the inception of the loss if the loss is related to a state of emergency. Current law imposes a 12-month statute of limitations in which to bring suit under a fire insurance policy or a county fire insurance policy after a loss. The bill is designed to reconcile two code sections that are separate but related. Insurance Code § 2051.5 provides 24 months for an insured to rebuild or replace if the loss is related to a state of emergency. The timeframe for filing a lawsuit to protect the rights of the insured as permitted by Insurance Code § 2071 is set forth in the policy as 12 months from the inception of the loss. Adding the 24 month / declared disaster language into the policy provides consistency within the code. This bill is supported by the Department of Insurance, Consumer Attorneys of California, and Consumer Federation of California.

The Senate voted in favor of **AB 2927** (Nazarian, Dem-Van Nuys) as well. Current law authorizes the California Earthquake Authority (CEA) to surcharge all CEA policies, in a net amount not to exceed \$1 billion plus costs of issuance and sale of those revenue bonds or other debt and amounts paid or payable to bond issuers and providers of credit support and letters of credit, to secure funds to repay the bonded indebtedness or other debt, and requires a CEA policy to include a specified notice of the surcharge to its policyholders. This bill revises that provision to require the CEA to sell investment grade revenue bonds in an amount up to \$1 billion plus costs of issuance and sale of revenue bonds, if existing sources of capital plus risk transfer provided through capital market contracts are exhausted. This CEA sponsored bill has no formal opposition.

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