

AMENDED IN ASSEMBLY JUNE 10, 2010

AMENDED IN ASSEMBLY MAY 28, 2010

AMENDED IN ASSEMBLY APRIL 28, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1887

Introduced by Assembly Member Villines
(Principal coauthor: Senator Alquist)
(Coauthor: Assembly Member Monning)

February 16, 2010

An act to ~~add Part 6.45 (commencing with Section 12699.70) to amend Sections 6254 and 11126 of the Government Code, and to add and repeal Part 6.7 (commencing with Section 12739.70) of Division 2 of the Insurance Code, relating to health care coverage, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1887, as amended, Villines. Temporary high risk pool.

Existing law, the federal Patient Protection and Affordable Care Act, requires the United States Secretary of Health and Human Services to establish a temporary high risk health insurance pool program to provide health insurance coverage for eligible individuals until January 1, 2014. Existing law authorizes the secretary to carry out this program directly or through contracts to eligible entities, including states, and requires that money made available pursuant to these provisions be used to establish a qualified high risk pool that meets certain requirements.

Existing law establishes the California Major Risk Medical Insurance Program, which is administered by the Managed Risk Medical Insurance

Board (MRMIB), to provide major risk medical coverage to persons who, among other matters, have been rejected for coverage by at least one private health plan.

~~This bill would require MRMIB to establish a temporary high risk pool to provide health care coverage to specified individuals who have preexisting conditions and have not been covered under creditable coverage, as defined, for the 6 months prior to applying for coverage in the pool. The bill would require coverage in the pool to meet specified requirements and would require premiums to be established at a standard rate for a standard population and not have an age rating greater than 4 to 1. The bill would require MRMIB to apply for federal funding in order to operate the pool and would enact other related provisions.~~

This bill would establish the Federal Temporary High Risk Health Insurance Fund as a continuously appropriated fund to administer the qualified high risk pool required by federal law, thereby making an appropriation. The bill would repeal these provisions on January 1, 2020.

Existing law exempts from the Public Records Act records of MRMIB related to contract negotiations and deliberations, and exempts from the Bagley-Keene Open Meeting Act matters related to the development of rates and contracting strategy for entities contracting or seeking to contract with MRMIB.

This bill would add to those exemptions records and meetings of MRMIB with regard to contract negotiations with entities with which the board is considering or enters into any arrangement under which the board provides, receives, or arranges services or reimbursement, including those negotiations conducted for purposes of the qualified high risk pool and the fund created by the bill.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

This bill would provide that it shall become operative only if SB 227 of the 2009–10 Regular Session is also enacted and becomes operative.

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: ~~no~~ yes. Fiscal committee: yes.
State-mandated local program: no.

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

1 **SECTION 1.** *Section 6254 of the Government Code is amended*
2 *to read:*

3 6254. Except as provided in Sections 6254.7 and 6254.13,
4 nothing in this chapter shall be construed to require disclosure of
5 records that are any of the following:

6 (a) Preliminary drafts, notes, or interagency or intra-agency
7 memoranda that are not retained by the public agency in the
8 ordinary course of business, if the public interest in withholding
9 those records clearly outweighs the public interest in disclosure.

10 (b) Records pertaining to pending litigation to which the public
11 agency is a party, or to claims made pursuant to Division 3.6
12 (commencing with Section 810), until the pending litigation or
13 claim has been finally adjudicated or otherwise settled.

14 (c) Personnel, medical, or similar files, the disclosure of which
15 would constitute an unwarranted invasion of personal privacy.

16 (d) Contained in or related to any of the following:

17 (1) Applications filed with any state agency responsible for the
18 regulation or supervision of the issuance of securities or of financial
19 institutions, including, but not limited to, banks, savings and loan
20 associations, industrial loan companies, credit unions, and
21 insurance companies.

22 (2) Examination, operating, or condition reports prepared by,
23 on behalf of, or for the use of, any state agency referred to in
24 paragraph (1).

25 (3) Preliminary drafts, notes, or interagency or intra-agency
26 communications prepared by, on behalf of, or for the use of, any
27 state agency referred to in paragraph (1).

28 (4) Information received in confidence by any state agency
29 referred to in paragraph (1).

30 (e) Geological and geophysical data, plant production data, and
31 similar information relating to utility systems development, or
32 market or crop reports, that are obtained in confidence from any
33 person.

34 (f) Records of complaints to, or investigations conducted by,
35 or records of intelligence information or security procedures of,
36 the office of the Attorney General and the Department of Justice,
37 the California Emergency Management Agency, and any state or
38 local police agency, or any investigatory or security files compiled

1 by any other state or local police agency, or any investigatory or
2 security files compiled by any other state or local agency for
3 correctional, law enforcement, or licensing purposes. However,
4 state and local law enforcement agencies shall disclose the names
5 and addresses of persons involved in, or witnesses other than
6 confidential informants to, the incident, the description of any
7 property involved, the date, time, and location of the incident, all
8 diagrams, statements of the parties involved in the incident, the
9 statements of all witnesses, other than confidential informants, to
10 the victims of an incident, or an authorized representative thereof,
11 an insurance carrier against which a claim has been or might be
12 made, and any person suffering bodily injury or property damage
13 or loss, as the result of the incident caused by arson, burglary, fire,
14 explosion, larceny, robbery, carjacking, vandalism, vehicle theft,
15 or a crime as defined by subdivision (b) of Section 13951, unless
16 the disclosure would endanger the safety of a witness or other
17 person involved in the investigation, or unless disclosure would
18 endanger the successful completion of the investigation or a related
19 investigation. However, nothing in this division shall require the
20 disclosure of that portion of those investigative files that reflects
21 the analysis or conclusions of the investigating officer.

22 Customer lists provided to a state or local police agency by an
23 alarm or security company at the request of the agency shall be
24 construed to be records subject to this subdivision.

25 Notwithstanding any other provision of this subdivision, state
26 and local law enforcement agencies shall make public the following
27 information, except to the extent that disclosure of a particular
28 item of information would endanger the safety of a person involved
29 in an investigation or would endanger the successful completion
30 of the investigation or a related investigation:

31 (1) The full name and occupation of every individual arrested
32 by the agency, the individual's physical description including date
33 of birth, color of eyes and hair, sex, height and weight, the time
34 and date of arrest, the time and date of booking, the location of
35 the arrest, the factual circumstances surrounding the arrest, the
36 amount of bail set, the time and manner of release or the location
37 where the individual is currently being held, and all charges the
38 individual is being held upon, including any outstanding warrants
39 from other jurisdictions and parole or probation holds.

1 (2) Subject to the restrictions imposed by Section 841.5 of the
2 Penal Code, the time, substance, and location of all complaints or
3 requests for assistance received by the agency and the time and
4 nature of the response thereto, including, to the extent the
5 information regarding crimes alleged or committed or any other
6 incident investigated is recorded, the time, date, and location of
7 occurrence, the time and date of the report, the name and age of
8 the victim, the factual circumstances surrounding the crime or
9 incident, and a general description of any injuries, property, or
10 weapons involved. The name of a victim of any crime defined by
11 Section 220, 236.1, 261, 261.5, 262, 264, 264.1, 265, 266, 266a,
12 266b, 266c, 266e, 266f, 266j, 267, 269, 273a, 273d, 273.5, 285,
13 286, 288, 288a, 288.2, 288.3 (as added by Chapter 337 of the
14 Statutes of 2006), 288.3 (as added by Section 6 of Proposition 83
15 of the November 7, 2006, statewide general election), 288.5, 288.7,
16 289, 422.6, 422.7, 422.75, 646.9, or 647.6 of the Penal Code may
17 be withheld at the victim's request, or at the request of the victim's
18 parent or guardian if the victim is a minor. When a person is the
19 victim of more than one crime, information disclosing that the
20 person is a victim of a crime defined in any of the sections of the
21 Penal Code set forth in this subdivision may be deleted at the
22 request of the victim, or the victim's parent or guardian if the
23 victim is a minor, in making the report of the crime, or of any
24 crime or incident accompanying the crime, available to the public
25 in compliance with the requirements of this paragraph.

26 (3) Subject to the restrictions of Section 841.5 of the Penal Code
27 and this subdivision, the current address of every individual
28 arrested by the agency and the current address of the victim of a
29 crime, where the requester declares under penalty of perjury that
30 the request is made for a scholarly, journalistic, political, or
31 governmental purpose, or that the request is made for investigation
32 purposes by a licensed private investigator as described in Chapter
33 11.3 (commencing with Section 7512) of Division 3 of the Business
34 and Professions Code. However, the address of the victim of any
35 crime defined by Section 220, 236.1, 261, 261.5, 262, 264, 264.1,
36 265, 266, 266a, 266b, 266c, 266e, 266f, 266j, 267, 269, 273a,
37 273d, 273.5, 285, 286, 288, 288a, 288.2, 288.3 (as added by
38 Chapter 337 of the Statutes of 2006), 288.3 (as added by Section
39 6 of Proposition 83 of the November 7, 2006, statewide general
40 election), 288.5, 288.7, 289, 422.6, 422.7, 422.75, 646.9, or 647.6

1 of the Penal Code shall remain confidential. Address information
2 obtained pursuant to this paragraph may not be used directly or
3 indirectly, or furnished to another, to sell a product or service to
4 any individual or group of individuals, and the requester shall
5 execute a declaration to that effect under penalty of perjury.
6 Nothing in this paragraph shall be construed to prohibit or limit a
7 scholarly, journalistic, political, or government use of address
8 information obtained pursuant to this paragraph.

9 (g) Test questions, scoring keys, and other examination data
10 used to administer a licensing examination, examination for
11 employment, or academic examination, except as provided for in
12 Chapter 3 (commencing with Section 99150) of Part 65 of Division
13 14 of Title 3 of the Education Code.

14 (h) The contents of real estate appraisals or engineering or
15 feasibility estimates and evaluations made for or by the state or
16 local agency relative to the acquisition of property, or to
17 prospective public supply and construction contracts, until all of
18 the property has been acquired or all of the contract agreement
19 obtained. However, the law of eminent domain shall not be affected
20 by this provision.

21 (i) Information required from any taxpayer in connection with
22 the collection of local taxes that is received in confidence and the
23 disclosure of the information to other persons would result in unfair
24 competitive disadvantage to the person supplying the information.

25 (j) Library circulation records kept for the purpose of identifying
26 the borrower of items available in libraries, and library and museum
27 materials made or acquired and presented solely for reference or
28 exhibition purposes. The exemption in this subdivision shall not
29 apply to records of fines imposed on the borrowers.

30 (k) Records, the disclosure of which is exempted or prohibited
31 pursuant to federal or state law, including, but not limited to,
32 provisions of the Evidence Code relating to privilege.

33 (l) Correspondence of and to the Governor or employees of the
34 Governor's office or in the custody of or maintained by the
35 Governor's Legal Affairs Secretary. However, public records shall
36 not be transferred to the custody of the Governor's Legal Affairs
37 Secretary to evade the disclosure provisions of this chapter.

38 (m) In the custody of or maintained by the Legislative Counsel,
39 except those records in the public database maintained by the
40 Legislative Counsel that are described in Section 10248.

1 (n) Statements of personal worth or personal financial data
2 required by a licensing agency and filed by an applicant with the
3 licensing agency to establish his or her personal qualification for
4 the license, certificate, or permit applied for.

5 (o) Financial data contained in applications for financing under
6 Division 27 (commencing with Section 44500) of the Health and
7 Safety Code, where an authorized officer of the California Pollution
8 Control Financing Authority determines that disclosure of the
9 financial data would be competitively injurious to the applicant
10 and the data is required in order to obtain guarantees from the
11 United States Small Business Administration. The California
12 Pollution Control Financing Authority shall adopt rules for review
13 of individual requests for confidentiality under this section and for
14 making available to the public those portions of an application that
15 are subject to disclosure under this chapter.

16 (p) Records of state agencies related to activities governed by
17 Chapter 10.3 (commencing with Section 3512), Chapter 10.5
18 (commencing with Section 3525), and Chapter 12 (commencing
19 with Section 3560) of Division 4, that reveal a state agency's
20 deliberative processes, impressions, evaluations, opinions,
21 recommendations, meeting minutes, research, work products,
22 theories, or strategy, or that provide instruction, advice, or training
23 to employees who do not have full collective bargaining and
24 representation rights under these chapters. Nothing in this
25 subdivision shall be construed to limit the disclosure duties of a
26 state agency with respect to any other records relating to the
27 activities governed by the employee relations acts referred to in
28 this subdivision.

29 (q) Records of state agencies related to activities governed by
30 Article 2.6 (commencing with Section 14081), Article 2.8
31 (commencing with Section 14087.5), and Article 2.91
32 (commencing with Section 14089) of Chapter 7 of Part 3 of
33 Division 9 of the Welfare and Institutions Code, that reveal the
34 special negotiator's deliberative processes, discussions,
35 communications, or any other portion of the negotiations with
36 providers of health care services, impressions, opinions,
37 recommendations, meeting minutes, research, work product,
38 theories, or strategy, or that provide instruction, advice, or training
39 to employees.

1 Except for the portion of a contract containing the rates of
2 payment, contracts for inpatient services entered into pursuant to
3 these articles, on or after April 1, 1984, shall be open to inspection
4 one year after they are fully executed. If a contract for inpatient
5 services that is entered into prior to April 1, 1984, is amended on
6 or after April 1, 1984, the amendment, except for any portion
7 containing the rates of payment, shall be open to inspection one
8 year after it is fully executed. If the California Medical Assistance
9 Commission enters into contracts with health care providers for
10 other than inpatient hospital services, those contracts shall be open
11 to inspection one year after they are fully executed.

12 Three years after a contract or amendment is open to inspection
13 under this subdivision, the portion of the contract or amendment
14 containing the rates of payment shall be open to inspection.

15 Notwithstanding any other provision of law, the entire contract
16 or amendment shall be open to inspection by the Joint Legislative
17 Audit Committee and the Legislative Analyst's Office. The
18 committee and that office shall maintain the confidentiality of the
19 contracts and amendments until the time a contract or amendment
20 is fully open to inspection by the public.

21 (r) Records of Native American graves, cemeteries, and sacred
22 places and records of Native American places, features, and objects
23 described in Sections 5097.9 and 5097.993 of the Public Resources
24 Code maintained by, or in the possession of, the Native American
25 Heritage Commission, another state agency, or a local agency.

26 (s) A final accreditation report of the Joint Commission on
27 Accreditation of Hospitals that has been transmitted to the State
28 Department of Health Care Services pursuant to subdivision (b)
29 of Section 1282 of the Health and Safety Code.

30 (t) Records of a local hospital district, formed pursuant to
31 Division 23 (commencing with Section 32000) of the Health and
32 Safety Code, or the records of a municipal hospital, formed
33 pursuant to Article 7 (commencing with Section 37600) or Article
34 8 (commencing with Section 37650) of Chapter 5 of Part 2 of
35 Division 3 of Title 4 of this code, that relate to any contract with
36 an insurer or nonprofit hospital service plan for inpatient or
37 outpatient services for alternative rates pursuant to Section 10133
38 of the Insurance Code. However, the record shall be open to
39 inspection within one year after the contract is fully executed.

1 (u) (1) Information contained in applications for licenses to
2 carry firearms issued pursuant to Section 12050 of the Penal Code
3 by the sheriff of a county or the chief or other head of a municipal
4 police department that indicates when or where the applicant is
5 vulnerable to attack or that concerns the applicant's medical or
6 psychological history or that of members of his or her family.

7 (2) The home address and telephone number of peace officers,
8 judges, court commissioners, and magistrates that are set forth in
9 applications for licenses to carry firearms issued pursuant to
10 Section 12050 of the Penal Code by the sheriff of a county or the
11 chief or other head of a municipal police department.

12 (3) The home address and telephone number of peace officers,
13 judges, court commissioners, and magistrates that are set forth in
14 licenses to carry firearms issued pursuant to Section 12050 of the
15 Penal Code by the sheriff of a county or the chief or other head of
16 a municipal police department.

17 (v) (1) Records of the Managed Risk Medical Insurance Board
18 related to activities governed by Part 6.3 (commencing with Section
19 12695) ~~and~~, Part 6.5 (commencing with Section 12700), *Part 6.6*
20 *(commencing with Section 12739.5)*, and *Part 6.7 (commencing*
21 *with Section 12739.70)* of Division 2 of the Insurance Code, and
22 that reveal ~~the~~ *any of the following*:

23 (A) *The deliberative processes, discussions, communications,*
24 *or any other portion of the negotiations with entities contracting*
25 *or seeking to contract with the board, ~~or the entities with which~~*
26 *the board is considering a contract, or entities with which the*
27 *board is considering or enters into any other arrangement under*
28 *which the board provides, receives, or arranges services or*
29 *reimbursement.*

30 (B) *The impressions, opinions, recommendations, meeting*
31 *minutes, research, work product, theories, or strategy of the board*
32 *or its staff, or records that provide instructions, advice, or training*
33 *to employees.*

34 (2) (A) Except for the portion of a contract that contains the
35 rates of payment, contracts ~~for health coverage~~ entered into
36 pursuant to Part 6.3 (commencing with Section 12695) ~~or~~, Part
37 6.5 (commencing with Section 12700), *Part 6.6 (commencing with*
38 *Section 12739.5)*, or *Part 6.7 (commencing with Section 12739.70)*
39 of Division 2 of the Insurance Code, on or after July 1, 1991, shall
40 be open to inspection one year after their effective dates.

1 (B) If a contract that is entered into prior to July 1, 1991, is
2 amended on or after July 1, 1991, the amendment, except for any
3 portion containing the rates of payment, shall be open to inspection
4 one year after the *effective date of the amendment* ~~has been fully~~
5 ~~executed~~.

6 (3) Three years after a contract or amendment is open to
7 inspection pursuant to this subdivision, the portion of the contract
8 or amendment containing the rates of payment shall be open to
9 inspection.

10 (4) Notwithstanding any other provision of law, the entire
11 contract or amendments to a contract shall be open to inspection
12 by the Joint Legislative Audit Committee. The committee shall
13 maintain the confidentiality of the contracts and amendments
14 thereto, until the contracts or amendments to the contracts are open
15 to inspection pursuant to paragraph (3).

16 (w) (1) Records of the Managed Risk Medical Insurance Board
17 related to activities governed by Chapter 8 (commencing with
18 Section 10700) of Part 2 of Division 2 of the Insurance Code, and
19 that reveal the deliberative processes, discussions, communications,
20 or any other portion of the negotiations with health plans, or the
21 impressions, opinions, recommendations, meeting minutes,
22 research, work product, theories, or strategy of the board or its
23 staff, or records that provide instructions, advice, or training to
24 employees.

25 (2) Except for the portion of a contract that contains the rates
26 of payment, contracts for health coverage entered into pursuant to
27 Chapter 8 (commencing with Section 10700) of Part 2 of Division
28 2 of the Insurance Code, on or after January 1, 1993, shall be open
29 to inspection one year after they have been fully executed.

30 (3) Notwithstanding any other provision of law, the entire
31 contract or amendments to a contract shall be open to inspection
32 by the Joint Legislative Audit Committee. The committee shall
33 maintain the confidentiality of the contracts and amendments
34 thereto, until the contracts or amendments to the contracts are open
35 to inspection pursuant to paragraph (2).

36 (x) Financial data contained in applications for registration, or
37 registration renewal, as a service contractor filed with the Director
38 of Consumer Affairs pursuant to Chapter 20 (commencing with
39 Section 9800) of Division 3 of the Business and Professions Code,
40 for the purpose of establishing the service contractor's net worth,

1 or financial data regarding the funded accounts held in escrow for
2 service contracts held in force in this state by a service contractor.

3 (y) (1) Records of the Managed Risk Medical Insurance Board
4 related to activities governed by Part 6.2 (commencing with Section
5 12693) or Part 6.4 (commencing with Section 12699.50) of
6 Division 2 of the Insurance Code, and that reveal ~~the~~ *any of the*
7 *following*:

8 (A) *The deliberative processes, discussions, communications,*
9 *or any other portion of the negotiations with entities contracting*
10 *or seeking to contract with the board, ~~or the entities with which~~*
11 *the board is considering a contract, or entities with which the*
12 *board is considering or enters into any other arrangement under*
13 *which the board provides, receives, or arranges services or*
14 *reimbursement.*

15 (B) *The impressions, opinions, recommendations, meeting*
16 *minutes, research, work product, theories, or strategy of the board*
17 *or its staff, or records that provide instructions, advice, or training*
18 *to employees.*

19 (2) (A) Except for the portion of a contract that contains the
20 rates of payment, contracts entered into pursuant to Part 6.2
21 (commencing with Section 12693) or Part 6.4 (commencing with
22 Section 12699.50) of Division 2 of the Insurance Code, on or after
23 January 1, 1998, shall be open to inspection one year after their
24 effective dates.

25 (B) If a contract entered into pursuant to Part 6.2 (commencing
26 with Section 12693) or Part 6.4 (commencing with Section
27 12699.50) of Division 2 of the Insurance Code is amended, the
28 amendment shall be open to inspection one year after the *effective*
29 *date of the amendment* ~~has been fully executed~~.

30 (3) Three years after a contract or amendment is open to
31 inspection pursuant to this subdivision, the portion of the contract
32 or amendment containing the rates of payment shall be open to
33 inspection.

34 (4) Notwithstanding any other provision of law, the entire
35 contract or amendments to a contract shall be open to inspection
36 by the Joint Legislative Audit Committee. The committee shall
37 maintain the confidentiality of the contracts and amendments
38 thereto until the contract or amendments to a contract are open to
39 inspection pursuant to paragraph (2) or (3).

1 (5) The exemption from disclosure provided pursuant to this
 2 subdivision for the contracts, deliberative processes, discussions,
 3 communications, negotiations, impressions, opinions,
 4 recommendations, meeting minutes, research, work product,
 5 theories, or strategy of the board or its staff shall also apply to the
 6 contracts, deliberative processes, discussions, communications,
 7 negotiations, impressions, opinions, recommendations, meeting
 8 minutes, research, work product, theories, or strategy of applicants
 9 pursuant to Part 6.4 (commencing with Section 12699.50) of
 10 Division 2 of the Insurance Code.

11 (z) Records obtained pursuant to paragraph (2) of subdivision
 12 (c) of Section 2891.1 of the Public Utilities Code.

13 (aa) A document prepared by or for a state or local agency that
 14 assesses its vulnerability to terrorist attack or other criminal acts
 15 intended to disrupt the public agency’s operations and that is for
 16 distribution or consideration in a closed session.

17 (ab) Critical infrastructure information, as defined in Section
 18 131(3) of Title 6 of the United States Code, that is voluntarily
 19 submitted to the California Emergency Management Agency for
 20 use by that office, including the identity of the person who or entity
 21 that voluntarily submitted the information. As used in this
 22 subdivision, “voluntarily submitted” means submitted in the
 23 absence of the office exercising any legal authority to compel
 24 access to or submission of critical infrastructure information. This
 25 subdivision shall not affect the status of information in the
 26 possession of any other state or local governmental agency.

27 (ac) All information provided to the Secretary of State by a
 28 person for the purpose of registration in the Advance Health Care
 29 Directive Registry, except that those records shall be released at
 30 the request of a health care provider, a public guardian, or the
 31 registrant’s legal representative.

32 (ad) The following records of the State Compensation Insurance
 33 Fund:

34 (1) Records related to claims pursuant to Chapter 1
 35 (commencing with Section 3200) of Division 4 of the Labor Code,
 36 to the extent that confidential medical information or other
 37 individually identifiable information would be disclosed.

38 (2) Records related to the discussions, communications, or any
 39 other portion of the negotiations with entities contracting or seeking
 40 to contract with the fund, and any related deliberations.

1 (3) Records related to the impressions, opinions,
2 recommendations, meeting minutes of meetings or sessions that
3 are lawfully closed to the public, research, work product, theories,
4 or strategy of the fund or its staff, on the development of rates,
5 contracting strategy, underwriting, or competitive strategy pursuant
6 to the powers granted to the fund in Chapter 4 (commencing with
7 Section 11770) of Part 3 of Division 2 of the Insurance Code.

8 (4) Records obtained to provide workers' compensation
9 insurance under Chapter 4 (commencing with Section 11770) of
10 Part 3 of Division 2 of the Insurance Code, including, but not
11 limited to, any medical claims information, policyholder
12 information provided that nothing in this paragraph shall be
13 interpreted to prevent an insurance agent or broker from obtaining
14 proprietary information or other information authorized by law to
15 be obtained by the agent or broker, and information on rates,
16 pricing, and claims handling received from brokers.

17 (5) (A) Records that are trade secrets pursuant to Section
18 6276.44, or Article 11 (commencing with Section 1060) of Chapter
19 4 of Division 8 of the Evidence Code, including without limitation,
20 instructions, advice, or training provided by the State Compensation
21 Insurance Fund to its board members, officers, and employees
22 regarding the fund's special investigation unit, internal audit unit,
23 and informational security, marketing, rating, pricing, underwriting,
24 claims handling, audits, and collections.

25 (B) Notwithstanding subparagraph (A), the portions of records
26 containing trade secrets shall be available for review by the Joint
27 Legislative Audit Committee, the Bureau of State Audits, Division
28 of Workers' Compensation, and the Department of Insurance to
29 ensure compliance with applicable law.

30 (6) (A) Internal audits containing proprietary information and
31 the following records that are related to an internal audit:

32 (i) Personal papers and correspondence of any person providing
33 assistance to the fund when that person has requested in writing
34 that his or her papers and correspondence be kept private and
35 confidential. Those papers and correspondence shall become public
36 records if the written request is withdrawn, or upon order of the
37 fund.

38 (ii) Papers, correspondence, memoranda, or any substantive
39 information pertaining to any audit not completed or an internal
40 audit that contains proprietary information.

1 (B) Notwithstanding subparagraph (A), the portions of records
 2 containing proprietary information, or any information specified
 3 in subparagraph (A) shall be available for review by the Joint
 4 Legislative Audit Committee, the Bureau of State Audits, Division
 5 of Workers’ Compensation, and the Department of Insurance to
 6 ensure compliance with applicable law.

7 (7) (A) Except as provided in subparagraph (C), contracts
 8 entered into pursuant to Chapter 4 (commencing with Section
 9 11770) of Part 3 of Division 2 of the Insurance Code shall be open
 10 to inspection one year after the contract has been fully executed.

11 (B) If a contract entered into pursuant to Chapter 4 (commencing
 12 with Section 11770) of Part 3 of Division 2 of the Insurance Code
 13 is amended, the amendment shall be open to inspection one year
 14 after the amendment has been fully executed.

15 (C) Three years after a contract or amendment is open to
 16 inspection pursuant to this subdivision, the portion of the contract
 17 or amendment containing the rates of payment shall be open to
 18 inspection.

19 (D) Notwithstanding any other provision of law, the entire
 20 contract or amendments to a contract shall be open to inspection
 21 by the Joint Legislative Audit Committee. The committee shall
 22 maintain the confidentiality of the contracts and amendments
 23 thereto until the contract or amendments to a contract are open to
 24 inspection pursuant to this paragraph.

25 (E) Nothing in this paragraph is intended to apply to documents
 26 related to contracts with public entities that are not otherwise
 27 expressly confidential as to that public entity.

28 (F) For purposes of this paragraph, “fully executed” means the
 29 point in time when all of the necessary parties to the contract have
 30 signed the contract.

31 Nothing in this section prevents any agency from opening its
 32 records concerning the administration of the agency to public
 33 inspection, unless disclosure is otherwise prohibited by law.

34 Nothing in this section prevents any health facility from
 35 disclosing to a certified bargaining agent relevant financing
 36 information pursuant to Section 8 of the National Labor Relations
 37 Act (29 U.S.C. Sec. 158).

38 *SEC. 2. Section 11126 of the Government Code is amended to*
 39 *read:*

1 11126. (a) (1) Nothing in this article shall be construed to
2 prevent a state body from holding closed sessions during a regular
3 or special meeting to consider the appointment, employment,
4 evaluation of performance, or dismissal of a public employee or
5 to hear complaints or charges brought against that employee by
6 another person or employee unless the employee requests a public
7 hearing.

8 (2) As a condition to holding a closed session on the complaints
9 or charges to consider disciplinary action or to consider dismissal,
10 the employee shall be given written notice of his or her right to
11 have a public hearing, rather than a closed session, and that notice
12 shall be delivered to the employee personally or by mail at least
13 24 hours before the time for holding a regular or special meeting.
14 If notice is not given, any disciplinary or other action taken against
15 any employee at the closed session shall be null and void.

16 (3) The state body also may exclude from any public or closed
17 session, during the examination of a witness, any or all other
18 witnesses in the matter being investigated by the state body.

19 (4) Following the public hearing or closed session, the body
20 may deliberate on the decision to be reached in a closed session.

21 (b) For the purposes of this section, “employee” does not include
22 any person who is elected to, or appointed to a public office by,
23 any state body. However, officers of the California State University
24 who receive compensation for their services, other than per diem
25 and ordinary and necessary expenses, shall, when engaged in that
26 capacity, be considered employees. Furthermore, for purposes of
27 this section, the term employee includes a person exempt from
28 civil service pursuant to subdivision (e) of Section 4 of Article VII
29 of the California Constitution.

30 (c) Nothing in this article shall be construed to do any of the
31 following:

32 (1) Prevent state bodies that administer the licensing of persons
33 engaging in businesses or professions from holding closed sessions
34 to prepare, approve, grade, or administer examinations.

35 (2) Prevent an advisory body of a state body that administers
36 the licensing of persons engaged in businesses or professions from
37 conducting a closed session to discuss matters that the advisory
38 body has found would constitute an unwarranted invasion of the
39 privacy of an individual licensee or applicant if discussed in an
40 open meeting, provided the advisory body does not include a

1 quorum of the members of the state body it advises. Those matters
2 may include review of an applicant’s qualifications for licensure
3 and an inquiry specifically related to the state body’s enforcement
4 program concerning an individual licensee or applicant where the
5 inquiry occurs prior to the filing of a civil, criminal, or
6 administrative disciplinary action against the licensee or applicant
7 by the state body.

8 (3) Prohibit a state body from holding a closed session to
9 deliberate on a decision to be reached in a proceeding required to
10 be conducted pursuant to Chapter 5 (commencing with Section
11 11500) or similar provisions of law.

12 (4) Grant a right to enter any correctional institution or the
13 grounds of a correctional institution where that right is not
14 otherwise granted by law, nor shall anything in this article be
15 construed to prevent a state body from holding a closed session
16 when considering and acting upon the determination of a term,
17 parole, or release of any individual or other disposition of an
18 individual case, or if public disclosure of the subjects under
19 discussion or consideration is expressly prohibited by statute.

20 (5) Prevent any closed session to consider the conferring of
21 honorary degrees, or gifts, donations, and bequests that the donor
22 or proposed donor has requested in writing to be kept confidential.

23 (6) Prevent the Alcoholic Beverage Control Appeals Board from
24 holding a closed session for the purpose of holding a deliberative
25 conference as provided in Section 11125.

26 (7) (A) Prevent a state body from holding closed sessions with
27 its negotiator prior to the purchase, sale, exchange, or lease of real
28 property by or for the state body to give instructions to its
29 negotiator regarding the price and terms of payment for the
30 purchase, sale, exchange, or lease.

31 (B) However, prior to the closed session, the state body shall
32 hold an open and public session in which it identifies the real
33 property or real properties that the negotiations may concern and
34 the person or persons with whom its negotiator may negotiate.

35 (C) For purposes of this paragraph, the negotiator may be a
36 member of the state body.

37 (D) For purposes of this paragraph, “lease” includes renewal or
38 renegotiation of a lease.

1 (E) Nothing in this paragraph shall preclude a state body from
2 holding a closed session for discussions regarding eminent domain
3 proceedings pursuant to subdivision (e).

4 (8) Prevent the California Postsecondary Education Commission
5 from holding closed sessions to consider matters pertaining to the
6 appointment or termination of the Director of the California
7 Postsecondary Education Commission.

8 (9) Prevent the Council for Private Postsecondary and
9 Vocational Education from holding closed sessions to consider
10 matters pertaining to the appointment or termination of the
11 Executive Director of the Council for Private Postsecondary and
12 Vocational Education.

13 (10) Prevent the Franchise Tax Board from holding closed
14 sessions for the purpose of discussion of confidential tax returns
15 or information the public disclosure of which is prohibited by law,
16 or from considering matters pertaining to the appointment or
17 removal of the Executive Officer of the Franchise Tax Board.

18 (11) Require the Franchise Tax Board to notice or disclose any
19 confidential tax information considered in closed sessions, or
20 documents executed in connection therewith, the public disclosure
21 of which is prohibited pursuant to Article 2 (commencing with
22 Section 19542) of Chapter 7 of Part 10.2 of Division 2 of the
23 Revenue and Taxation Code.

24 (12) Prevent the Corrections Standards Authority from holding
25 closed sessions when considering reports of crime conditions under
26 Section 6027 of the Penal Code.

27 (13) Prevent the State Air Resources Board from holding closed
28 sessions when considering the proprietary specifications and
29 performance data of manufacturers.

30 (14) Prevent the State Board of Education or the Superintendent
31 of Public Instruction, or any committee advising the board or the
32 Superintendent, from holding closed sessions on those portions of
33 its review of assessment instruments pursuant to Chapter 5
34 (commencing with Section 60600) of, or pursuant to Chapter 9
35 (commencing with Section 60850) of, Part 33 of Division 4 of
36 Title 2 of the Education Code during which actual test content is
37 reviewed and discussed. The purpose of this provision is to
38 maintain the confidentiality of the assessments under review.

39 (15) Prevent the California Integrated Waste Management Board
40 or its auxiliary committees from holding closed sessions for the

1 purpose of discussing confidential tax returns, discussing trade
2 secrets or confidential or proprietary information in its possession,
3 or discussing other data, the public disclosure of which is
4 prohibited by law.

5 (16) Prevent a state body that invests retirement, pension, or
6 endowment funds from holding closed sessions when considering
7 investment decisions. For purposes of consideration of shareholder
8 voting on corporate stocks held by the state body, closed sessions
9 for the purposes of voting may be held only with respect to election
10 of corporate directors, election of independent auditors, and other
11 financial issues that could have a material effect on the net income
12 of the corporation. For the purpose of real property investment
13 decisions that may be considered in a closed session pursuant to
14 this paragraph, a state body shall also be exempt from the
15 provisions of paragraph (7) relating to the identification of real
16 properties prior to the closed session.

17 (17) Prevent a state body, or boards, commissions,
18 administrative officers, or other representatives that may properly
19 be designated by law or by a state body, from holding closed
20 sessions with its representatives in discharging its responsibilities
21 under Chapter 10 (commencing with Section 3500), Chapter 10.3
22 (commencing with Section 3512), Chapter 10.5 (commencing with
23 Section 3525), or Chapter 10.7 (commencing with Section 3540)
24 of Division 4 of Title 1 as the sessions relate to salaries, salary
25 schedules, or compensation paid in the form of fringe benefits.
26 For the purposes enumerated in the preceding sentence, a state
27 body may also meet with a state conciliator who has intervened
28 in the proceedings.

29 (18) (A) Prevent a state body from holding closed sessions to
30 consider matters posing a threat or potential threat of criminal or
31 terrorist activity against the personnel, property, buildings,
32 facilities, or equipment, including electronic data, owned, leased,
33 or controlled by the state body, where disclosure of these
34 considerations could compromise or impede the safety or security
35 of the personnel, property, buildings, facilities, or equipment,
36 including electronic data, owned, leased, or controlled by the state
37 body.

38 (B) Notwithstanding any other provision of law, a state body,
39 at any regular or special meeting, may meet in a closed session

1 pursuant to subparagraph (A) upon a two-thirds vote of the
2 members present at the meeting.

3 (C) After meeting in closed session pursuant to subparagraph
4 (A), the state body shall reconvene in open session prior to
5 adjournment and report that a closed session was held pursuant to
6 subparagraph (A), the general nature of the matters considered,
7 and whether any action was taken in closed session.

8 (D) After meeting in closed session pursuant to subparagraph
9 (A), the state body shall submit to the Legislative Analyst written
10 notification stating that it held this closed session, the general
11 reason or reasons for the closed session, the general nature of the
12 matters considered, and whether any action was taken in closed
13 session. The Legislative Analyst shall retain for no less than four
14 years any written notification received from a state body pursuant
15 to this subparagraph.

16 (d) (1) Notwithstanding any other provision of law, any meeting
17 of the Public Utilities Commission at which the rates of entities
18 under the commission's jurisdiction are changed shall be open and
19 public.

20 (2) Nothing in this article shall be construed to prevent the
21 Public Utilities Commission from holding closed sessions to
22 deliberate on the institution of proceedings, or disciplinary actions
23 against any person or entity under the jurisdiction of the
24 commission.

25 (e) (1) Nothing in this article shall be construed to prevent a
26 state body, based on the advice of its legal counsel, from holding
27 a closed session to confer with, or receive advice from, its legal
28 counsel regarding pending litigation when discussion in open
29 session concerning those matters would prejudice the position of
30 the state body in the litigation.

31 (2) For purposes of this article, all expressions of the
32 lawyer-client privilege other than those provided in this subdivision
33 are hereby abrogated. This subdivision is the exclusive expression
34 of the lawyer-client privilege for purposes of conducting closed
35 session meetings pursuant to this article. For purposes of this
36 subdivision, litigation shall be considered pending when any of
37 the following circumstances exist:

38 (A) An adjudicatory proceeding before a court, an administrative
39 body exercising its adjudicatory authority, a hearing officer, or an

1 arbitrator, to which the state body is a party, has been initiated
2 formally.

3 (B) (i) A point has been reached where, in the opinion of the
4 state body on the advice of its legal counsel, based on existing
5 facts and circumstances, there is a significant exposure to litigation
6 against the state body.

7 (ii) Based on existing facts and circumstances, the state body
8 is meeting only to decide whether a closed session is authorized
9 pursuant to clause (i).

10 (C) (i) Based on existing facts and circumstances, the state
11 body has decided to initiate or is deciding whether to initiate
12 litigation.

13 (ii) The legal counsel of the state body shall prepare and submit
14 to it a memorandum stating the specific reasons and legal authority
15 for the closed session. If the closed session is pursuant to paragraph
16 (1), the memorandum shall include the title of the litigation. If the
17 closed session is pursuant to subparagraph (A) or (B), the
18 memorandum shall include the existing facts and circumstances
19 on which it is based. The legal counsel shall submit the
20 memorandum to the state body prior to the closed session, if
21 feasible, and in any case no later than one week after the closed
22 session. The memorandum shall be exempt from disclosure
23 pursuant to Section 6254.25.

24 (iii) For purposes of this subdivision, “litigation” includes any
25 adjudicatory proceeding, including eminent domain, before a court,
26 administrative body exercising its adjudicatory authority, hearing
27 officer, or arbitrator.

28 (iv) Disclosure of a memorandum required under this
29 subdivision shall not be deemed as a waiver of the lawyer-client
30 privilege, as provided for under Article 3 (commencing with
31 Section 950) of Chapter 4 of Division 8 of the Evidence Code.

32 (f) In addition to subdivisions (a), (b), and (c), nothing in this
33 article shall be construed to do any of the following:

34 (1) Prevent a state body operating under a joint powers
35 agreement for insurance pooling from holding a closed session to
36 discuss a claim for the payment of tort liability or public liability
37 losses incurred by the state body or any member agency under the
38 joint powers agreement.

39 (2) Prevent the examining committee established by the State
40 Board of Forestry and Fire Protection, pursuant to Section 763 of

1 the Public Resources Code, from conducting a closed session to
2 consider disciplinary action against an individual professional
3 forester prior to the filing of an accusation against the forester
4 pursuant to Section 11503.

5 (3) Prevent an administrative committee established by the
6 California Board of Accountancy pursuant to Section 5020 of the
7 Business and Professions Code from conducting a closed session
8 to consider disciplinary action against an individual accountant
9 prior to the filing of an accusation against the accountant pursuant
10 to Section 11503. Nothing in this article shall be construed to
11 prevent an examining committee established by the California
12 Board of Accountancy pursuant to Section 5023 of the Business
13 and Professions Code from conducting a closed hearing to
14 interview an individual applicant or accountant regarding the
15 applicant's qualifications.

16 (4) Prevent a state body, as defined in subdivision (b) of Section
17 11121, from conducting a closed session to consider any matter
18 that properly could be considered in closed session by the state
19 body whose authority it exercises.

20 (5) Prevent a state body, as defined in subdivision (d) of Section
21 11121, from conducting a closed session to consider any matter
22 that properly could be considered in a closed session by the body
23 defined as a state body pursuant to subdivision (a) or (b) of Section
24 11121.

25 (6) Prevent a state body, as defined in subdivision (c) of Section
26 11121, from conducting a closed session to consider any matter
27 that properly could be considered in a closed session by the state
28 body it advises.

29 (7) Prevent the State Board of Equalization from holding closed
30 sessions for either of the following:

31 (A) When considering matters pertaining to the appointment or
32 removal of the Executive Secretary of the State Board of
33 Equalization.

34 (B) For the purpose of hearing confidential taxpayer appeals or
35 data, the public disclosure of which is prohibited by law.

36 (8) Require the State Board of Equalization to disclose any
37 action taken in closed session or documents executed in connection
38 with that action, the public disclosure of which is prohibited by
39 law pursuant to Sections 15619 and 15641 of this code and Sections
40 833, 7056, 8255, 9255, 11655, 30455, 32455, 38705, 38706, 43651,

1 45982, 46751, 50159, 55381, and 60609 of the Revenue and
2 Taxation Code.

3 (9) Prevent the California Earthquake Prediction Evaluation
4 Council, or other body appointed to advise the Director of the
5 Office of Emergency Services or the Governor concerning matters
6 relating to volcanic or earthquake predictions, from holding closed
7 sessions when considering the evaluation of possible predictions.

8 (g) This article does not prevent either of the following:

9 (1) The Teachers' Retirement Board or the Board of
10 Administration of the Public Employees' Retirement System from
11 holding closed sessions when considering matters pertaining to
12 the recruitment, appointment, employment, or removal of the chief
13 executive officer or when considering matters pertaining to the
14 recruitment or removal of the Chief Investment Officer of the State
15 Teachers' Retirement System or the Public Employees' Retirement
16 System.

17 (2) The Commission on Teacher Credentialing from holding
18 closed sessions when considering matters relating to the
19 recruitment, appointment, or removal of its executive director.

20 (h) This article does not prevent the Board of Administration
21 of the Public Employees' Retirement System from holding closed
22 sessions when considering matters relating to the development of
23 rates and competitive strategy for plans offered pursuant to Chapter
24 15 (commencing with Section 21660) of Part 3 of Division 5 of
25 Title 2.

26 (i) This article does not prevent the Managed Risk Medical
27 Insurance Board from holding closed sessions when considering
28 matters related to the development of rates and contracting strategy
29 for entities contracting or seeking to contract with the board,
30 *entities with which the board is considering a contract, or entities*
31 *with which the board is considering or enters into any other*
32 *arrangement under which the board provides, receives, or arranges*
33 *services or reimbursement, pursuant to Part 6.2 (commencing with*
34 *Section 12693), Part 6.3 (commencing with Section 12695), Part*
35 *6.4 (commencing with Section 12699.50), or Part 6.5 (commencing*
36 *with Section 12700), Part 6.6 (commencing with Section 12739.5),*
37 *or Part 6.7 (commencing with Section 12739.70) of Division 2 of*
38 *the Insurance Code.*

1 (j) Nothing in this article shall be construed to prevent the board
2 of the State Compensation Insurance Fund from holding closed
3 sessions in the following:

4 (1) When considering matters related to claims pursuant to
5 Chapter 1 (commencing with Section 3200) of Division 4 of the
6 Labor Code, to the extent that confidential medical information
7 or other individually identifiable information would be disclosed.

8 (2) To the extent that matters related to audits and investigations
9 that have not been completed would be disclosed.

10 (3) To the extent that an internal audit containing proprietary
11 information would be disclosed.

12 (4) To the extent that the session would address the development
13 of rates, contracting strategy, underwriting, or competitive strategy,
14 pursuant to the powers granted to the board in Chapter 4
15 (commencing with Section 11770) of Part 3 of Division 2 of the
16 Insurance Code, when discussion in open session concerning those
17 matters would prejudice the position of the State Compensation
18 Insurance Fund.

19 (k) The State Compensation Insurance Fund shall comply with
20 the procedures specified in Section 11125.4 of the Government
21 Code with respect to any closed session or meeting authorized by
22 subdivision (j), and in addition shall provide an opportunity for a
23 member of the public to be heard on the issue of the
24 appropriateness of closing the meeting or session.

25 *SEC. 3. Part 6.7 (commencing with Section 12739.70) is added*
26 *to Division 2 of the Insurance Code, to read:*

27
28 *PART 6.7. FEDERAL TEMPORARY HIGH RISK HEALTH*
29 *INSURANCE FUND*

30
31 *12739.70. The definitions in Section 12739.50 shall apply to*
32 *this part.*

33 *12739.71. There is hereby created in the State Treasury a*
34 *special fund known as the Federal Temporary High Risk Health*
35 *Insurance Fund that is, notwithstanding Section 13340 of the*
36 *Government Code, continuously appropriated to the board for the*
37 *purposes specified in Part 6.6 (commencing with Section 12739.5).*

38 *12739.72. The board shall authorize the expenditure of money*
39 *in the fund to cover program expenses, including program expenses*
40 *that exceed subscriber contributions.*

1 12739.73. From amounts transferred to the fund, the board
2 may expend sufficient funds to carry out the purposes of Part 6.6
3 (commencing with Section 12739.5). The state shall not be liable
4 beyond the assets of the fund for any obligations incurred, or
5 liabilities sustained, in the operation of the program.

6 12739.74. Any moneys remaining in the fund at the end of any
7 fiscal year may be carried forward to the next succeeding fiscal
8 year.

9 12739.75. The board shall establish a reserve that is sufficient
10 to prudently operate the program, unless the federal Department
11 of Health and Human Services establishes other procedures to
12 maintain a prudent reserve.

13 12739.76. This part shall remain in effect only until January
14 1, 2020, and as of that date is repealed, unless a later enacted
15 statute, that is enacted before January 1, 2020, deletes or extends
16 that date.

17 SEC. 4. The Legislature finds and declares that Sections 1 and
18 2 of this act, which amend Sections 6254 and 11126 of the
19 Government Code, impose a limitation on the public's right of
20 access to the meetings of public bodies or the writings of public
21 officials and agencies within the meaning of Section 3 of Article
22 I of the California Constitution. Pursuant to that constitutional
23 provision, the Legislature makes the following findings to
24 demonstrate the interest protected by this limitation and the need
25 for protecting that interest:

26 In order to clarify existing law and to ensure that the Managed
27 Risk Medical Insurance Board is not constrained in exercising its
28 fiduciary powers and obligations to negotiate on behalf of the
29 public as it implements federal health care reform pursuant to the
30 federal Patient Protection and Affordable Care Act (Public Law
31 111-148), the limitations on the public's right of access imposed
32 by Sections 1 and 2 of this act are necessary.

33 SEC. 5. This act shall become operative only if Senate Bill 227
34 of the 2009–10 Regular Session is also enacted and becomes
35 operative.

36 ~~SECTION 1. Part 6.45 (commencing with Section 12699.70)~~
37 ~~is added to Division 2 of the Insurance Code, to read:~~

1 PART 6.45. ~~TEMPORARY HIGH RISK POOL~~

2
3 12699.70. ~~For purposes of this part, the following definitions~~
4 ~~shall apply:~~

5 (a) ~~“Board” means the Managed Risk Medical Insurance Board~~
6 ~~created pursuant to Section 12710.~~

7 (b) ~~“Creditable coverage” has the same meaning as defined in~~
8 ~~Section 10198.6.~~

9 (c) ~~“Pool” means the temporary high risk pool established by~~
10 ~~the board pursuant to this part.~~

11 12699.72. (a) ~~The board shall establish a temporary high risk~~
12 ~~pool to provide health care coverage to eligible individuals.~~

13 (b) ~~Each individual who meets all of the following requirements~~
14 ~~is eligible to apply for coverage through the pool:~~

15 (1) ~~Is a citizen or national of the United States, or is lawfully~~
16 ~~present in the United States, as determined in accordance with~~
17 ~~Section 1411 of the Patient Protection and Affordable Care Act~~
18 ~~(Public Law 111-148).~~

19 (2) ~~Has not been covered under creditable coverage for the six~~
20 ~~months prior to applying for coverage through the pool.~~

21 (3) ~~Has a preexisting condition.~~

22 (c) ~~The benefits and coverage provided through the pool shall,~~
23 ~~at a minimum, have an actuarial value of at least 65 percent of~~
24 ~~total allowed costs, an out-of-pocket limit no greater than the~~
25 ~~applicable amount for high deductible health plans linked to health~~
26 ~~savings accounts, and no preexisting condition exclusions.~~

27 (d) ~~Premiums for coverage provided through the pool shall be~~
28 ~~established at a standard rate for a standard population and not~~
29 ~~have an age rating greater than four to one.~~

30 (e) ~~The board shall apply for federal funding pursuant to Section~~
31 ~~1101 of the Patient Protection and Affordable Care Act (Public~~
32 ~~Law 111-148) to operate the pool created by this part.~~

33 12699.74. ~~Nothing in this part shall be construed to preclude~~
34 ~~the board from creating more expansive standards and benefits,~~
35 ~~lower cost-sharing requirements, or eligibility criteria that would~~
36 ~~result in the inclusion of more enrollees if permitted under federal~~
37 ~~law and funded exclusively with federal funds.~~

38 SEC. 2.

39 SEC. 6. This act is an urgency statute necessary for the
40 immediate preservation of the public peace, health, or safety within

1 the meaning of Article IV of the Constitution and shall go into
2 immediate effect. The facts constituting the necessity are:
3 In order to allow the state to apply for federal funding made
4 available by Section 1101 of the federal Patient Protection and
5 Affordable Care Act (Public Law 111-148) at the earliest possible
6 time, it is necessary that this act take effect immediately.

O