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Date: February 6, 2015

TO: MEMBERS, BOARD OF DIRECTORS

I. AGENDA ITEM # AND TITLE :	Open Agenda Item 3c - Consent Calendar: Legislative Update
II. NAME AND PROGRAM:	Rhonda Myers, Government Affairs
III. ACTIVITY:	<input checked="" type="checkbox"/> Informational <input type="checkbox"/> Request for Direction <input type="checkbox"/> Action Proposed
IV. JUSTIFICATION:	<input checked="" type="checkbox"/> Standard/Required Item <input type="checkbox"/> Board Request – New Item <input type="checkbox"/> New Topic from Staff

V. EXECUTIVE SUMMARY:

The Legislature reconvened on January 5, 2015. To date, there have been no state bills introduced that would impact State Fund and/or the industry. However, we do expect to see legislation that will propose changes to parts of recent reform related to Independent Medical Review (IMR) and Utilization Review (UR).

The last day to introduce new bills is February 27th. Government Affairs will continue to monitor and assess all legislation that has the potential to impact State Fund and/or the industry and recommend appropriate action.

At the federal level, President Obama signed federal legislation, H.R. 26, which extends the Terrorism Risk Insurance Act (TRIA) through 2020.

VI. ANALYSIS: SEE INDIVIDUAL BILL ANALYSIS IN APPENDIX

VII. RECOMMENDATION: N/A

VIII. PRESENTATION EXHIBITS: N/A

IX. APPENDIX: See attached



Federal Legislation

H.R 26 (Neugebauer) Terrorism Risk Insurance Program Reauthorization Act of 2015 **Signed by President Obama on 1/12/15**

This federal legislation extends the Terrorism Risk Insurance Act (TRIA) program for six years. It also increases the cost-share percentage for insurers from 15% to 20%, and specifies that the aggregate industry insured losses resulting from certified acts of terror trigger the federal share of compensation under the Program as: (1) \$100 million for 2015; (2) \$120 million for 2016; (3) \$140 million for 2017; (4) \$160 million for 2018; (5) \$180 million for 2019; and (6) \$200 million for 2020 and thereafter.