

**DEPARTMENT OF FINANCE BILL ANALYSIS**

**AMENDMENT DATE:** June 17, 2008  
**POSITION:** Neutral

**BILL NUMBER:** SB 1467  
**AUTHOR:** M. Machado

**BILL SUMMARY: Insurance: Guarantee Fund**

This bill requires that meetings of the Board of Governors of the California Insurance Guarantee Association (CIGA) and its investments and audit committees shall be open to the public and noticed, as specified.

This bill defines meeting to include any congregation of a majority of the members of the board or the investment and audit Committee at the same time to hear, discuss or deliberate on any item within the responsibility of the association.

**FISCAL SUMMARY**

This bill would have no fiscal impact to the Department of Insurance.

According to the Board of Governors of the State Guarantee Association, this bill would have a minor and absorbable cost.

**SUMMARY OF CHANGES**

Amendments to this bill since our analysis of the April 21, 2008 version are minor and do not alter our position.

**COMMENTS**

Existing law established the California Insurance Guarantee Association in order to provide insolvency insurance for its member insurers. Existing law requires the association to be managed by a board of governors composed of 13 members, including nine of whom are member insurers appointed by the Insurance Commissioner. Existing law does not require CIGA to hold open meetings and CIGA is not subject to the Bagley-Keene Open Meeting Act.

This bill would require open meetings, as specified, define allowable closed session meetings, and allow the Insurance Commissioner or his or her designee to attend all meetings of the CIGA.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
		LA	(Dollars in Thousands)						
	CO	PROP	FC	2007-2008	FC	2008-2009	FC	2009-2010	
	RV	98	FC						
0845/Insurance	SO	No		-----	No/Minor	Fiscal Impact	-----		0217

<u>Fund Code</u>	<u>Title</u>
0217	Insurance Fund

Analyst/Principal (0220) R. Baker	Date	Program Budget Manager Todd Jerue	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

**BILL ANALYSIS** Form DF-43 (Rev 03/95 Buff)