



CIS Update

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CIS (CAN INSURANCE SERVICES) IS A SUBSIDIARY OF THE CALIFORNIA ASSOCIATION OF NONPROFITS

What's New for California Organizations in 2005

Laws that affect you

By Debbie Klug, Research & Compliance, CAN Insurance Services

Here is an overview of some of the major laws that will go into affect for the new year:

Insurance Equality (AB 2208)

All insurance carriers and health plans in California must provide coverage to the registered domestic partner of an employee equal to the coverage it provides to a spouse. The insurer is allowed to require proof of registration for domestic partners only if it also requires similar proof for traditional marriages.

For further information see:

www.nclrights.org

Senior COBRA Extension (AB 254)

In California, an additional extension of COBRA coverage (referred to as Senior COBRA) was available to employees over age 60 on the date employment ended, and had worked for the employer for at least the 5 prior years. Effective 1/2/05, senior COBRA will no longer be offered to new participants. Existing participants may continue their coverage under the previous rules.

For further information see:

<http://truckerhuss.com>

Sexual Harassment Training (AB 1825)

For organizations with 50 or more employees, training will be required for all supervisors every two years. If training has already been held since 1/1/03, the mandatory requirements begin 1/1/06.

For further information see:

www.hrcalifornia.com

CA Nonprofit Integrity (SB 1262)

While this law covers all California organizations (whether or not incorporated), not all sections of the law may apply to your organization. All organizations involved in fundraising and/or charitable organizations that are incorporated and receive or accrue \$2 million or more in fiscal year revenues will have the most items to comply with. The 2 main areas addressed in detail are governance and fundraising.

Some of the items discussed under governance include: financial audits, audit committee creation and duties, public disclosure rights, and board of directors review and approval of compensation (including benefits) paid to the chief executive officer (CEO) and chief financial officer (CFO).

Items covered under fundraising include: specific requirements when a commercial fundraiser is used (including mandatory contract language, deposit of funds, and cancellation rights), places the responsibility of control over fundraising conducted for you upon you, and much more.

For further information see:

<http://caag.state.ca.us/charities>. ■