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| Department of Finance | | Fund: 0285a |
| STATE OF CALIFORNIA MANUAL OF STATE FUNDS | | PAGE 1 Renumbered From: |
| <u>Legal Title</u> California Residential Earthquake Recovery Fund | | |
| <u>Legal Citation/Authority</u> Chapter 1165, Statutes of 1990 (SB 2902) Insurance Code section 5002 | | |
| <u>Fund Classification</u> <u>GAAP Basis</u> Governmental/Special Revenue Funds | <u>Fund Classification</u> <u>Legal Basis</u> Governmental/Other Governmental Cost Funds | |
| <u>Purpose</u> This fund will be used to deposit the surcharges collected by insurers, which are added to insurance policies which cover privately owned single-family dwellings. The money in the fund would be exclusively used to pay earthquake insurance claims, administrative and adjustment expenses, to purchase reinsurance, to pay for any revenue bonds that may be authorized, and to retrofit dwellings. | | |
| <u>Administering Agency/Organization Code</u> Department of Insurance/Org 0845 | | |
| <u>Major Revenue Source</u> Surcharges collected from insurers on any policy issued for privately owned single-family dwellings. These funds will be transferred to the Department of Insurance for deposit in the State Treasury Interest earned on deposits invested by the Pooled Money Investment Account. | | |
| <u>Disposition of Fund (upon abolishment)</u> Pursuant to Government Code section 16346, absent language that identifies a successor fund, any balance remaining in this fund upon abolishment shall be transferred to the General Fund. | | |
| <u>Appropriation Authority</u> This fund is continuously appropriated. | | |
| <u>State Appropriations Limit</u> Excluded - Revenues in this fund are not proceeds of taxes, however, when transferred, may become proceeds of taxes. These revenues have a logical, direct relationship with the use or purposes for which they are used. | | |
| <u>Comments/Historical Information</u> Chapter 1165, Statutes of 1990 (SB 2902) created this fund. Chapter 1091, Statutes of 1991 (AB 1487) revised Insurance Code, Section 5002 to eliminate the previously established abolishment date of 1/1/93. Chapter 1251, Statutes of 1992 (AB 2049) repealed the section that created this fund. | | |