

TITLE 8. INDUSTRIAL RELATIONS
DIVISION 1. DEPARTMENT OF INDUSTRIAL RELATIONS
CHAPTER 8. OFFICE OF THE DIRECTOR
SUBCHAPTER 2. ADMINISTRATION OF SELF-INSURANCE
ARTICLE 3. SECURITY DEPOSIT REQUIREMENTS

§ 15214. Cash in Trust.

(a) Cash shall be presented to the Manager in the form of a corporate check, cashier's check, certified check or money order and shall be made payable to "The Department of Industrial Relations In Trust For [the legal name of the self insurer]." A wire transfer of funds to a bank, or financialsavings institution if approved in advance by the Manager may be used.

Note 1: Cash deposits shall be deposited by the Office of Self-Insurance Plans on the same day received or on the following business day with a bank or savingsfinancial institution meeting the credit standards contained in Section 15215(e) into an interest bearing ~~passbook~~ savings account, or into a callable or brokered certificate of deposit not exceeding one year in duration with an automatic rollover upon maturity. ~~The passbook~~ A savings account, ~~or certificate of deposit~~ shall be set up in such a manner to show the ~~cash~~ deposit is held in trust for the private self insurer by the Department of Industrial Relations, as the depositor, and the private self insurer has no ability to control any part of the savings account or certificate of deposit. ~~The passbook~~ savings account, or original certificate or other evidence of the deposit or account, shall be held by the bank or financial institution who shall be the custodian of the deposit, pending written instruction from Self-Insurance Plans signed by the Manager to deliver ~~the passbook or certificate~~ documentary evidence of the deposit or account, to the State Treasurer, Office of Self Insurance Plans who shall be the custodian of the deposit.

Note 2: A private self insurer desiring to deposit cash to be held in trust as part of its security deposit should contact the Manager in advance of sending a cash deposit to the Office of Self-Insurance Plans. The private self insurer may advise the Manager in writing of any preference for a bank or savings financial institution into which the cash is to be deposited by the Department and length of the deposit term. However, the selection of the bank or savings financial institution and length of term of the deposit is at the discretion of the Manager.

(b) ~~Negotiable e~~ Certificates of deposit in book entry format, bearer form or registered form may be deposited with prior arrangements made with the Manager and subject to approval of the Manager as with any other registered securities pursuant to Section 15212-~~13~~ of these regulations.

(c) By order of the Manager, ~~physical possession~~ documentary evidence of the ~~passbook~~ savings account or certificate of deposit shall be ~~transferred from~~ provided by the bank or the financial institution to the State Treasurer-Office of Self Insurance Plans. ~~The passbook~~ savings account or certificate of deposit shall be released only upon written order of the Director and the Manager or other person designated by the Director.

(d) The Manager shall provide the private self insurer depositing cash with a written receipt for the deposit.

(e) The private self insurer may request and the Manager shall authorize the payment of any interest on the cash deposit to be sent to the self insurer from the bank or savingsfinancial institution.

Note: Authority cited: Sections 54, 55 and 3702.10, Labor Code. Reference: Sections 59, 3700, 3701, 3701.5, 3702, 3702.6, 3702 .10, 3703, 3705 and 3740-3745, Labor Code.