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**GOVERNMENT CODE - GOV**

**TITLE 1. GENERAL [100 - 7931.000]** ( Title 1 enacted by Stats. 1943, Ch. 134. )

**DIVISION 3.6. CLAIMS AND ACTIONS AGAINST PUBLIC ENTITIES AND PUBLIC EMPLOYEES [810 - 998.3]** ( Division 3.6 added by Stats. 1963, Ch. 1681. )

**PART 6. INSURANCE [989 - 991.2]** ( Part 6 added by Stats. 1963, Ch. 1682. )

**989.** As used in this part, "local public entity" means any public entity except a state agency covered by Section 11007.4 of the Government Code.

(Added by Stats. 1963, Ch. 1682, Sec. 12.)

**990.** Except for a liability which may be insured against pursuant to Division 4 (commencing with Section 3200) of the Labor Code, a local public entity may:

- (a) Insure itself against all or any part of any tort or inverse condemnation liability.
- (b) Insure any employee of the local public entity against all or any part of his liability for injury resulting from an act or omission in the scope of his employment.
- (c) Insure, contract or provide against the expense of defending a claim against the local public entity or its employee, whether or not liability exists on such claim, including a claim for damages under Section 3294 of the Civil Code or otherwise for the sake of example or by way of punishment, where such liability arose from an act or omission in the scope of his employment, and an insurance contract for such purpose is valid and binding notwithstanding Section 1668 of the Civil Code, Section 533 of the Insurance Code, or any other provision of law.
- (d) A hospital district may participate in a reciprocal or interinsurance exchange with the members of its medical staff as provided in Section 1284 of the Insurance Code.

Nothing in this section shall be construed to authorize a local public entity to pay for, or to insure, contract, or provide for payment for, such part of a claim or judgment against an employee of the local entity as is for punitive or exemplary damages.

(Amended by Stats. 1977, Ch. 904.)

**990.2.** The Judicial Council may insure any officer or attaché of its superior courts against all or any part of the officer or attaché's liability for injury resulting from any act or omission in the scope of the officer or attaché's employment, and also may insure against the expense of defending any claim against the officer or attaché, whether or not liability exists on that claim.

(Amended by Stats. 2023, Ch. 478, Sec. 25. (AB 1756) Effective January 1, 2024.)

**990.4.** The insurance authorized by this part may be provided by:

- (a) Self-insurance, which may be, but is not required to be, funded by appropriations to establish or maintain reserves for self-insurance purposes.
- (b) Insurance in any insurer authorized to transact such insurance in this state.
- (c) Insurance secured in accordance with Chapter 6 (commencing with Section 1760) of Part 2 of Division 1 of the Insurance Code.
- (d) Participation by a hospital district and its medical staff in a reciprocal or interinsurance exchange as provided in Section 1284 of the Insurance Code.
- (e) Any combination of insurance authorized by subdivisions (a), (b), (c), and (d).

(Amended by Stats. 1977, Ch. 904.)

**990.6.** The cost of the insurance authorized by this part is a proper charge against the local public entity.

*(Added by Stats. 1963, Ch. 1682, Sec. 12.)*

**990.8.** (a) Two or more local public entities, or a mutual water company and a public agency, as authorized under subdivision (b) of Section 6525, by a joint powers agreement made pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7, may provide insurance authorized by this part or for any other purpose by any one or more of the methods specified in Section 990.4. Where two or more hospital districts have joined together to pool their self-insurance claims or losses, any nonprofit corporation created pursuant to subdivision (p) of Section 32121 of the Health and Safety Code, and affiliated with a hospital district which is a party to the pool may participate in the pool.

(b) Two or more local public entities having the same governing board, or a mutual water company and a public agency, as authorized under subdivision (b) of Section 6525, may be coinsured under a master policy and the total premium may be prorated among those entities.

(c) The pooling of self-insured claims or losses among entities as authorized in subdivision (a) of Section 990.4 shall not be considered insurance nor be subject to regulation under the Insurance Code.

(d) Any liability or loss under a joint powers agreement for the pooling of self-insured claims or losses authorized by this part and provided pursuant to this section may, notwithstanding Section 620 of the Insurance Code or any other provision of law, be reinsured to the same extent and the same manner as insurance provided by an insurer.

(e) Where a joint powers agreement authorized by this part or authorized pursuant to Section 6516 provides for the pooling of self-insured claims or losses among entities, if any peril insured or covered under contract has existed, and the joint powers authority or other parties to the pool have been liable for any period, however short, the agreement may provide that the party insured or covered under contract is not entitled to the return of premiums, contributions, payments, or advances so far as that particular risk is concerned.

(f) For purposes of this section, "mutual water company" has the same meaning as the term does in Section 14300 of the Corporations Code.

*(Amended by Stats. 2015, Ch. 250, Sec. 1. (AB 656) Effective January 1, 2016.)*

**990.9.** Any city, county, city and county, or any other local public entity with authority to provide health care services may provide insurance or provide indemnity through self-insurance for medical or other health-care tort claims against any person who, in good faith and without compensation, renders voluntary care to low-income patients within the scope of his or her practice at a community clinic or free clinic, as those terms are defined in subdivision (a) of Section 1204 of the Health and Safety Code, serving residents within the jurisdiction of the local public entity, and who is licensed under Division 2 (commencing with Section 500) of the Business and Professions Code or under an initiative act referred to in those provisions. However, the insurance or indemnity provided pursuant to this section shall not cover liability for which there is other insurance coverage in effect.

*(Added by Stats. 1993, Ch. 154, Sec. 1. Effective January 1, 1994.)*

**991.** Where an enactment, other than this part, authorizes or requires a local public entity to insure against its liability or the liability of its employees:

(a) The authority provided by this part to insure does not affect such other enactment.

(b) Such other enactment does not limit or restrict the authority to insure under this part; but, except to the extent authorized by Section 1251 of the Education Code, nothing in this part permits a school district to self-insure in any case where the school district is required to insure.

*(Added by Stats. 1963, Ch. 1682, Sec. 12.)*

**991.2.** Neither the authority provided by this part to insure, nor the exercise of such authority, shall:

(a) Impose any liability upon the local public entity or its employee unless such liability otherwise exists.

(b) Impair any defense the local public entity or its employee otherwise may have.

*(Added by Stats. 1963, Ch. 1682, Sec. 12.)*