



MEMBER ALERT
SURETY BONDS AND INSURANCE
February 10, 2022

The Alert is issued in response to recent increases in CA Public Records Act (CPRA) and Freedom of Information Act (FOIA) requests directed at NBSIA and our Members, related to surety bonds and liability insurance for school board members, aka public officials and/or elected officials.

Surety Bonds/Insurance

Public school districts are not required to provide surety or indemnity bonds under state law (Cal. Education Code § 42801.5, Cal. Government Code § 1463.). Public school districts may instead utilize commercial insurance or indemnity coverage as a member of a joint powers authority, which provides a legal alternative to bonds under state law.

Cal. Education Code § 42801.5 provides that:

Notwithstanding the requirement to provide for indemnity bonds pursuant to sections 42650 and 42801, the governing board of a school district may, in lieu thereof, insure against losses caused by an employee or an officer of a school district if the insurance gives the same or greater protection to the school district that a bond would provide in indemnifying the school district against any loss caused by the employee or officer of the district.

By way of background, Senate Bill 1191 was passed in 1994, becoming California Education Code § 42801.5. The intent of this legislation was to give school districts and community college districts the same indemnification options that counties and cities had at that time instead of purchasing indemnity or surety bonds. Simply put, the objective of § 42801.5 was to allow school districts and community college districts to purchase insurance in lieu of bonds.

Your liability coverage as a member of NBSIA satisfies the insurance requirements in lieu of any surety or indemnity bonds.

CPRA/FOIA Requests

If NBSIA Property/Liability Program Members receive a CPRA or FOIA request asking for liability insurance information, please contact [Brandon Schlenker](mailto:Brandon.Schlenker@nbsia.org), 707-428-1830. We will provide you with a certificate of coverage.

For additional reading on the topic of surety bonds and schools, here is a good article from CSBA, [California School Board Members Don't Have Surety Bonds: A New CPRA Request Explained](#)