

2015 Regular Session

SENATE BILL NO. 22

BY SENATOR LAFLEUR

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

HOUSING. Authorizes coverage risk which may be pooled by local housing authority members of the interlocal risk management agency. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 33:1352(5), 1353(A), 1356, and 1359(E), relative to local
3 housing authority members of an interlocal risk management agency; to authorize
4 the pooling of public officials liability coverage risks; to authorize the pooling of
5 other coverage risks that the board deems appropriate; to provide for definitions; and
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 33:1352(5), 1353(A), 1356, and 1359(E) are hereby amended and
9 reenacted to read as follows:

10 §1352. Definitions; terms defined

11 The following words and terms shall have the meaning indicated unless the
12 context shall clearly indicate a different meaning:

13 * * *

14 (5) "Self-insurance fund" means a pool of public monies established by an
15 interlocal risk management agency from contributions of its members in order to:

16 (a) To pool any one or more of the following risks: ~~general~~ **General** liability,
17 workers' compensation, ~~or property; or to~~ **public officials liability, including**

1 employment practices liability, property, or any other line of coverage approved
2 by the board of trustees of the interlocal risk management agency.

3 (b) To purchase insurance for risks of general liability, workers'
4 compensation, and/or property coverage, or other lines of coverage approved by
5 the board of trustees of the interlocal risk management agency.

6 * * *

7 §1353. Authority of local housing authority to form, join, and participate in
8 interlocal risk management agency

9 A. Any two or more local housing authorities may make and execute an
10 intergovernmental agreement between or among themselves to form and become
11 members of an interlocal risk management agency. After an interlocal risk
12 management agency has been formed, any local housing authority may, subject to
13 the bylaws and requirements of such agency, become a member and through
14 participation in the agency may:

15 (1) Pool its general liability risks in whole or in part with those of other local
16 housing authorities.

17 (2) Pool its workers' compensation risks in whole or in part with those of
18 other local housing authorities.

19 (3) ~~Purchase general liability, workers' compensation, and/or property~~
20 ~~coverage insurance with other local housing authorities participating in and~~
21 ~~belonging to the interlocal risk management agency, the pooled risks of the~~
22 ~~participating local housing authorities to be described in a plan of coverages with the~~
23 ~~total premium prorated among such participants.~~ Pool its public officials liability
24 risks, including employment practices liability coverage, in whole or in part
25 with those of other local housing authorities.

26 (4) Pool its property coverage risks in whole or in part with those of other
27 local housing authorities.

28 (5) Pool other coverage risks the board of trustees of the interlocal risk
29 management agency may determine to be appropriate in whole or in part with

1 those of other local housing authorities.

2 (6) Purchase insurance for risks of general liability, workers'
3 compensation, public officials liability, including employment practices liability,
4 property or other insurance for such other lines of coverage pooled by the
5 interlocal risk management agency with other local housing authorities
6 participating in and belonging to the interlocal risk management agency. The
7 pooled risks of the participating local housing authorities shall be described in
8 a plan of coverages with the total premium prorated among such participants.

9 * * *

10 §1356. Minimum contributions before risk sharing

11 A self-insurance fund shall not function as a means of sharing risks of loss
12 among the members of an interlocal risk management agency until the interlocal risk
13 management agency administering such fund shall have received, for general
14 liability, workers' compensation, ~~and~~ public officials liability, including
15 employment practices liability, property coverage, and any other pooled line of
16 coverage risks, an annual gross premium, calculated in accordance with the
17 applicable manual premium rate or rates, plus or minus applicable experience credits
18 or debits, of not less than two hundred thousand dollars for each line of risk.

19 * * *

20 §1359. Excess insurance

21 * * *

22 E. The agency shall maintain at all times ~~a contract or~~ contracts of excess
23 insurance with respect to property coverage and such other lines of coverage as
24 may be approved by the board of trustees of the interlocal risk management
25 agency in such amounts as determined by the board of trustees of the interlocal risk
26 management agency.

27 * * *

28 Section 2. This Act shall become effective upon signature by the governor or, if not
29 signed by the governor, upon expiration of the time for bills to become law without signature

1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 2 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 3 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Michael Bell.

DIGEST

SB 22 Reengrossed

2015 Regular Session

LaFleur

Present law provides for definitions and defines "self-insurance fund" as a pool of public monies established by an interlocal risk management agency from contributions of its members in order to pool any one or more of the following risks: general liability, workers' compensation, or property; or to purchase insurance for general liability, workers' compensation and/or property coverage.

Proposed law defines "self-insurance fund" as a pool of public monies established by an interlocal risk management agency from contributions of its members in order to pool any one or more of the following risks: general liability, workers' compensation, public officials liability, including employment practices liability, property, or any other line of coverage approved by the board of trustees of the interlocal risk management agency; or to purchase insurance for general liability, workers' compensation, public officials liability, including employment practices, property coverage or other lines of coverage approved by the board of trustees of the interlocal risk management agency.

Present law provides for interlocal risk management agencies to pool its general liability risks, its workers' compensation risks and its property coverage risks in whole or in part with those of other local housing authorities.

Proposed law retains present law and expands authority to include risks in pooling its public officials liability, including employment practices liability, in whole or in part with those of other local housing authorities. Proposed law further authorizes such agencies to pool other coverage risks the board of trustees may determine to be appropriate in whole or in part with those of other local housing authorities.

Present law requires that an annual gross premium, calculated in accordance with the applicable manual premium rate or rates, plus or minus applicable experience credits or debits, of not less than \$200,000 for each line or risk for general liability, workers' compensation and property coverage risks.

Proposed law maintains present law and requires that an annual gross premium, calculated in accordance with the applicable manual premium rate or rates, plus or minus applicable experience credits or debits, of not less than \$200,000 for each line or risk for public officials liability, including employment practices liability, and any other pooled line of coverage risks.

Present law requires the agency to maintain at all times a contract or contracts of excess insurance with respect to property coverage in such amounts as determined by the board of trustees of the agency.

Proposed law retains present law and requires the agency to maintain at all times contracts of excess insurance with respect to other lines of coverage as may be approved by the board of trustees of the interlocal risk management agency in such amounts as determined by the board of trustees of the agency.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 33:1352(5), 1353(A), 1356, and 1359(E))

Summary of Amendments Adopted by the Senate

Senate Floor Amendments to engrossed bill

1. Makes Bureau Note change