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P.L. 1999, CHAPTER 435, *approved January 18, 2000*
Assembly, No. 2825 (*First Reprint*)

1 AN ACT concerning school board joint insurance funds and amending
2 P.L.1983, c.108.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 2 of P.L.1983, c.108 (C.18A:18B-2) is amended to read
8 as follows:

9 2. Insurance authorized. Any board of education is authorized to
10 insure, contract or provide for any insurable interest of the district or
11 board in the manner authorized by section 3 of P.L.1983, c.108
12 (C.18A:18B-3), for the following:

13 a. Any loss or damage to its property, real or personal, motor
14 vehicles, equipment or apparatus;

15 b. Any loss or damage from liability resulting from the use or
16 operation of motor vehicles, equipment or apparatus owned or
17 controlled by it;

18 c. Any loss or damage from liability for its own acts or omissions
19 and for acts or omissions of its officers, employees or servants arising
20 out of and in the course of the performance of their duties, including,
21 but not limited to, any liability established by the "New Jersey Tort
22 Claims Act," N.J.S.59:1-1 et seq., or by any federal or other law;

23 d. Loss or damage from liability as established by Chapter 15 of
24 Title 34 of the Revised Statutes, Labor and Workers' Compensation
25 (R.S.34:15-1 et seq.);

26 e. Expenses of defending any claim against the board, district,
27 officer, employee or servant arising out of and in the course of the
28 performance of their duties, whether or not liability exists on the
29 claim[.];

30 f. Benefits pursuant to contributory or non-contributory group
31 health insurance or group term life insurance, or both, for employees
32 or their dependents, or both, through self insurance, the purchase of
33 commercial insurance or reinsurance, or any combination thereof. The
34 maximum risk to be retained for group term life insurance by a joint
35 insurance fund on a self insured basis shall not exceed a face amount
36 of \$5,000 per covered employee or dependent or such greater amount
37 as approved by the Commissioners of Banking and Insurance and
38 Education. Notwithstanding any other provision of law to the
39 contrary, the board or joint insurance fund shall be subject to the
40 surcharge levied pursuant to section 3 of P.L.1993, c.8

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ABI committee amendments adopted May 17, 1999.

1 (C.52:14-17.38c) for claims paid within the retained amount. For any
2 claims paid in excess of the retained amount, the surcharge shall be
3 paid by the entity insuring the excess amount;

4 g. Loss from liability associated with sick leave payment for service
5 connected disability as provided by N.J.S.18A:30-2.1;

6 h. Any loss or damage from liability resulting from loss or theft of
7 money or securities;

8 i. Blanket bond coverage for ¹[all] certain¹ school board officers,
9 employees, and volunteer organizations serving a school board for
10 faithful performance and discharge of their duties;

11 j. ¹[Environmental impairment liability coverage] Bodily injury and
12 property damage claims arising from environmental impairment
13 liability and legal representation therefor to the extent that such
14 coverages, as approved by the Commissioner of Banking and
15 Insurance, are provided by the purchase of insurance and no risk is
16 retained by the fund¹; and

17 k. Student accident coverage ¹to the extent approved by the
18 Commissioner of Banking and Insurance¹.

19 As used in this [subsection]section:

20 (1) "life insurance" means life insurance as defined in
21 N.J.S.17B:17-3[.];

22 (2) "health insurance" means health insurance as defined in
23 N.J.S.17B:17-4 or benefits provided by hospital service corporations,
24 medical service corporations or health service corporations authorized
25 to do business in this State; [and] ¹and¹

26 (3) "dependents" means dependents as defined pursuant to section
27 1 of P.L.1979, c.391 (C.18A:16-12)¹ [; and

28 (4) "environmental impairment" means pollution, impairment or
29 destruction of the environment as defined pursuant to section 3 of
30 P.L.1974, c.169 (C.2A:35A-3)]¹.

31 (cf: P.L.1995, c.74, s.1)

32

33 2. This act shall take effect immediately.

34

35

36

37

38 Expands the types of insurance authorized for school board joint
39 insurance funds.

ASSEMBLY, No. 2825

STATE OF NEW JERSEY 208th LEGISLATURE

INTRODUCED JANUARY 21, 1999

Sponsored by:

Assemblyman CHRISTOPHER "KIP" BATEMAN

District 16 (Morris and Somerset)

Assemblyman RAUL "RUDY" GARCIA

District 33 (Hudson)

Co-Sponsored by:

Assemblyman Blee

SYNOPSIS

Expands the types of insurance authorized for school board joint insurance funds.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/12/1999)

A2825 BATEMAN, GARCIA

2

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2 P.L.1983, c.108.

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5 of New Jersey:

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8 as follows:

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10 insure, contract or provide for any insurable interest of the district or
11 board in the manner authorized by section 3 of P.L.1983, c.108
12 (C.18A:18B-3), for the following:

13 a. Any loss or damage to its property, real or personal, motor
14 vehicles, equipment or apparatus;

15 b. Any loss or damage from liability resulting from the use or
16 operation of motor vehicles, equipment or apparatus owned or
17 controlled by it;

18 c. Any loss or damage from liability for its own acts or omissions
19 and for acts or omissions of its officers, employees or servants arising
20 out of and in the course of the performance of their duties, including,
21 but not limited to, any liability established by the "New Jersey Tort
22 Claims Act," N.J.S. 59:1-1 et seq., or by any federal or other law;

23 d. Loss or damage from liability as established by Chapter 15 of
24 Title 34 of the Revised Statutes, Labor and Workers' Compensation
25 (R.S.34:15-1 et seq.);

26 e. Expenses of defending any claim against the board, district,
27 officer, employee or servant arising out of and in the course of the
28 performance of their duties, whether or not liability exists on the
29 claim[.];

30 f. Benefits pursuant to contributory or non-contributory group
31 health insurance or group term life insurance, or both, for employees
32 or their dependents, or both, through self insurance, the purchase of
33 commercial insurance or reinsurance, or any combination thereof. The
34 maximum risk to be retained for group term life insurance by a joint
35 insurance fund on a self insured basis shall not exceed a face amount
36 of \$5,000 per covered employee or dependent or such greater amount
37 as approved by the Commissioners of Banking and Insurance and
38 Education. Notwithstanding any other provision of law to the
39 contrary, the board or joint insurance fund shall be subject to the
40 surcharge levied pursuant to section 3 of P.L.1993, c.8
41 (C.52:14-17.38c) for claims paid within the retained amount. For any
42 claims paid in excess of the retained amount, the surcharge shall be
43 paid by the entity insuring the excess amount;

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 g. Loss from liability associated with sick leave payment for service
2 connected disability as provided by N.J.S.18A:30-2.1;

3 h. Any loss or damage from liability resulting from loss or theft of
4 money or securities;

5 i. Blanket bond coverage for all school board officers, employees,
6 and volunteer organizations serving a school board for faithful
7 performance and discharge of their duties;

8 j. Environmental impairment liability coverage; and

9 k. Student accident coverage.

10 As used in this ~~subsection~~section:

11 (1) "life insurance" means life insurance as defined in
12 N.J.S.17B:17-3~~].~~;

13 (2) "health insurance" means health insurance as defined in
14 N.J.S.17B:17-4 or benefits provided by hospital service corporations,
15 medical service corporations or health service corporations authorized
16 to do business in this State;~~and~~

17 (3) "dependents" means dependents as defined pursuant to section
18 1 of P.L.1979, c.391 (C.18A:16-12); and

19 (4) "environmental impairment" means pollution, impairment or
20 destruction of the environment as defined pursuant to section 3 of
21 P.L.1974, c.169 (C.2A:35A-3).

22 (cf: P.L.1995, c.74, s.1)

23
24 2. This act shall take effect immediately.

25
26
27 STATEMENT

28
29 This bill expands the scope of insurance school board joint
30 insurance funds may purchase to include coverage for loss from
31 liability associated with sick leave payment for service connected
32 disability, and by authorizing coverage for any loss or damage from
33 liability resulting from loss or theft of money or securities. This bill
34 also permits blanket bond coverage for all school board officers,
35 employees, and volunteer organizations for faithful performance and
36 discharge of their duties, and authorizes environmental impairment
37 liability coverage and student accident coverage.

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2825

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 17, 1999

The Assembly Banking and Insurance Committee reports favorably and with committee amendments Assembly Bill No. 2825.

As amended by the committee, this bill expands the scope of the types of insurance that school board joint insurance funds may provide to include coverage for loss from liability associated with sick leave payment for service connected disability, and by authorizing coverage for any loss or damage from liability resulting from loss or theft of money or securities. This bill also permits blanket bond coverage for certain school board officers, employees, and volunteer organizations for faithful performance and discharge of their duties, and authorizes school board joint insurance funds to provide student accident coverage, to the extent approved by the Commissioner of Banking and Insurance and to purchase environmental impairment liability coverage under certain circumstances.

The committee amended the bill to provide that a school board joint insurance fund may provide blanket bond coverage only for certain school board officers, employees, and volunteer organizations for faithful performance and discharge of their duties. The committee amendments also clarify that a school board joint insurance fund may purchase insurance coverage for bodily injury and property damage claims arising from environmental impairment liability and legal representation therefor, to the extent that such coverages, as approved by the commissioner, are purchased and that no risk is retained by the fund.

SENATE, No. 2276

STATE OF NEW JERSEY
208th LEGISLATURE

INTRODUCED NOVEMBER 15, 1999

Sponsored by:

Senator ROBERT W. SINGER

District 30 (Burlington, Monmouth and Ocean)

SYNOPSIS

Expands the types of insurance authorized for school board joint insurance funds.

CURRENT VERSION OF TEXT

As introduced.



S2276 SINGER

2

1 AN ACT concerning school board joint insurance funds and amending
2 P.L.1983, c.108.

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5 of New Jersey:

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11 board in the manner authorized by section 3 of P.L.1983, c.108
12 (C.18A:18B-3), for the following:

13 a. Any loss or damage to its property, real or personal, motor
14 vehicles, equipment or apparatus;

15 b. Any loss or damage from liability resulting from the use or
16 operation of motor vehicles, equipment or apparatus owned or
17 controlled by it;

18 c. Any loss or damage from liability for its own acts or omissions
19 and for acts or omissions of its officers, employees or servants arising
20 out of and in the course of the performance of their duties, including,
21 but not limited to, any liability established by the "New Jersey Tort
22 Claims Act," N.J.S.59:1-1 et seq., or by any federal or other law;

23 d. Loss or damage from liability as established by Chapter 15 of
24 Title 34 of the Revised Statutes, Labor and Workers' Compensation
25 (R.S.34:15-1 et seq.);

26 e. Expenses of defending any claim against the board, district,
27 officer, employee or servant arising out of and in the course of the
28 performance of their duties, whether or not liability exists on the
29 claim~~].~~];

30 f. Benefits pursuant to contributory or non-contributory group
31 health insurance or group term life insurance, or both, for employees
32 or their dependents, or both, through self insurance, the purchase of
33 commercial insurance or reinsurance, or any combination thereof. The
34 maximum risk to be retained for group term life insurance by a joint
35 insurance fund on a self insured basis shall not exceed a face amount
36 of \$5,000 per covered employee or dependent or such greater amount
37 as approved by the Commissioners of Banking and Insurance and
38 Education. Notwithstanding any other provision of law to the
39 contrary, the board or joint insurance fund shall be subject to the
40 surcharge levied pursuant to section 3 of P.L.1993, c.8
41 (C.52:14-17.38c) for claims paid within the retained amount. For any
42 claims paid in excess of the retained amount, the surcharge shall be
43 paid by the entity insuring the excess amount;

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 g. Loss from liability associated with sick leave payment for service
2 connected disability as provided by N.J.S.18A:30-2.1;

3 h. Any loss or damage from liability resulting from loss or theft of
4 money or securities;

5 i. Blanket bond coverage for certain school board officers,
6 employees, and volunteer organizations serving a school board for
7 faithful performance and discharge of their duties;

8 j. Bodily injury and property damage claims arising from
9 environmental impairment liability and legal representation therefor to
10 the extent that such coverages, as approved by the Commissioner of
11 Banking and Insurance, are provided by the purchase of insurance and
12 no risk is retained by the fund; and

13 k. Student accident coverage to the extent approved by the
14 Commissioner of Banking and Insurance.

15 As used in this **subsection** section:

16 (1) "life insurance" means life insurance as defined in
17 N.J.S.17B:17-3**;**

18 (2) "health insurance" means health insurance as defined in
19 N.J.S.17B:17-4 or benefits provided by hospital service corporations,
20 medical service corporations or health service corporations authorized
21 to do business in this State; and

22 (3) "dependents" means dependents as defined pursuant to section
23 1 of P.L.1979, c.391 (C.18A:16-12)**;**

24 (cf: P.L.1995, c.74, s.1)

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26 2. This act shall take effect immediately.

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29 STATEMENT

30
31 This bill expands the scope of the types of insurance that school
32 board joint insurance funds may provide to include coverage for loss
33 from liability associated with sick leave payment for service connected
34 disability, and by authorizing coverage for any loss or damage from
35 liability resulting from loss or theft of money or securities. This bill
36 also permits blanket bond coverage for certain school board officers,
37 employees, and volunteer organizations for faithful performance and
38 discharge of their duties, and authorizes school board joint insurance
39 funds to provide student accident coverage, to the extent approved by
40 the Commissioner of Banking and Insurance and to purchase
41 environmental impairment liability coverage under certain
42 circumstances.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 2276

STATE OF NEW JERSEY

DATED: DECEMBER 13, 1999

The Senate Commerce Committee reports favorably Senate Bill No. 2276.

This bill expands the types of insurance that school board joint insurance funds may provide to include coverage for loss from liability associated with sick leave payment for service connected disability, and by authorizing coverage for any loss or damage from liability resulting from loss or theft of money or securities. The bill also permits blanket bond coverage for certain school board officers, employees, and volunteer organizations for faithful performance and discharge of their duties, and authorizes school board joint insurance funds to provide student accident coverage, to the extent approved by the Commissioner of Banking and Insurance, and to purchase environmental impairment liability coverage, as approved by the Commissioner of Banking and Insurance, with no risk to be retained by the fund.