

1 2	(New Draft of H.P. 625, L.D. 777) (New Title)
3 4	FIRST REGULAR SESSION
5 6	ONE HUNDRED AND ELEVENTH LEGISLATURE
7 8	Legislative Document No. 1619
9 10 11	H.P. 1223 House of Representatives, May 17, 1983 Reported by Representative Murphy from the Committee on Education and printed under Joint Rule 2. Original bill presented by Representative LaPlante of Sabattus.
12 13 14 15	EDWIN H. PERT, Clerk
16 17 18	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-THREE
19 20 21 22 23	RESOLVE, Authorizing the Department of Educational and Cultural Services to Conduct a Study of Self-insurance of Public School Properties.
24 25 26 27	Preamble. Whereas, the state and local school units spent \$10,000,000 on fire and related insurance coverage over the past 5 years and received only slightly over \$2,000,000 in claims; and
28 29 30	Whereas, this amounts to a cost of approximately \$800,000 per year for the State and \$700,000 per year for local units; and
31 32 33 34	Whereas, the present method of providing state aid for school construction itself protects school units from the financial burden of catastrophic loss; and

Whereas, school units can receive substantial
rebates from insurance providers if they engage
cooperative group purchases of insurance; and

4 Whereas, the Maine Insurance Advisory Board pro-5 vides joint purchase of insurance coverage for State 6 of Maine buildings and University of Maine buildings; 7 and

8 Whereas, these facts suggest that various alter-9 native methods of insuring public school buildings 10 could produce substantial savings to both state and 11 local school units; now, therefore, be it

12 Study of public school building insurance author-13 ized. Resolved: That the Governor direct the 14 Department of Educational and Cultural Services to 15 conduct a study of public school building insurance, 16 which includes input from the Maine Insurance Advi-17 sory Board to see if the current method of funding school construction, a self-insurance fund, the Maine Insurance Advisory Board's policy, or cooperative 18 19 20 purchases of private insurance would result in a reduction in the cost of insuring public school 21 22 buildings in Maine; and be it further

23 Resolved: That the department report back to the 24 Joint Standing Committee on Education its findings 25 and any accompanying legislation at the beginning of 26 the Second Regular Session of the 111th Legislature.

STATEMENT OF FACT

28 This new draft requires the Governor to study 29 various methods of reducing the cost of insuring 30 public school buildings.

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