

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

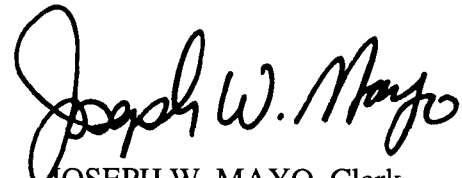
No. 260

H.P. 201

House of Representatives, January 27, 1995

**An Act to Amend the Law Regarding the Use of Competitive Bidding by
a School Board to Purchase Insurance.**

Reference to the Committee on Education and Cultural Affairs suggested and ordered
printed.


JOSEPH W. MAYO, Clerk

Presented by Representative TOWNSEND of Portland.
Cosponsored by Representatives: CHASE of China, GATES of Rockport, GIERINGER of
Portland, Senator: AMERO of Cumberland.

2 **Be it enacted by the People of the State of Maine as follows:**

4 **Sec. 1. 20-A MRSA §1001, sub-§14, ¶A,** as enacted by PL 1993,
c. 423, §1, is amended to read:

6 A. The requirement of competitive bidding may be waived by
a school board when:

8
10 (1) In the opinion of the school board, an emergency
exists that requires the immediate procurement of
12 insurance. The emergency may include the premature
cancellation of an existing policy or acquisition of a
14 risk that can not be added to an existing policy,
including the signing of a lease. However, at the next
16 renewal of the policy, procurement of insurance is
subject to competitive bidding;

18 (2) After reasonable investigation by the school
board, it appears that the required insurance is
20 procurable from only one source;

22 (3) It appears to be in the best interest of the
school board to negotiate for the procurement of an
24 excess insurance line;

26 (4) The line of insurance is workers' compensation or
an employee benefit such as life, disability or health
28 insurance in accordance with subsection 5; ~~or~~

30 (5) The school board is in a municipal school unit and
school insurance and municipal insurance are purchased
32 as a package through competitive bidding by the
municipal government, ; or

34 (6) The risk pool, of which the school unit is a
36 member, complies with the provisions of this
38 competitive bidding process for the risk pool as a
whole.

40
42 **STATEMENT OF FACT**

44 This bill adds a voluntary exemption from the required
competitive bidding for insurance for individual school units by
46 allowing the risk pool to competitively bid for its members.