

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
115TH LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "A" to H.P. 1354, L.D. 1946, Bill, "An Act to Allow the Risk Management Division to Provide Insurance Services for Elementary and Secondary Schools in the State"

Amend the bill by striking out all of section 1.

Further amend the bill by striking out all of section 2 and inserting in its place the following:

'Sec. 2. 5 MRSA §1728-A, sub-§§1-A and 1-B are enacted to read:

1-A. Additional duties. The director shall provide insurance advice and services for all lines of property and casualty insurance for school administrative units and for private schools approved for tuition purposes more than 60% of whose students are publicly funded. All liabilities over \$300,000 per occurrence must be reinsured by the director, with the insured entity paying the cost of that reinsurance. In performing the functions authorized by this subsection the director is not subject to the provisions of Title 24-A.

1-B. Rulemaking. The commissioner, with the advice of the director, shall adopt rules to ensure that the fund is adequately funded and that the assets of the fund are protected.'

Further amend the bill by renumbering the sections to read consecutively.

Further amend the bill at the end before the statement of fact by inserting the following:

FISCAL NOTE

This bill authorizes the Department of Administration, Risk Management Division, to provide insurance advice and services to school administrative units. Schools that choose to self-insure

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2 through the Risk Management Division could realize savings in
insurance expenditures, which could reduce future expenses to the
4 Department of Education, General Purpose Aid to Local Schools
account.

6 The bill further requires the Risk Management Division to
contract for annual actuarial services and to adopt rules to
8 ensure that the insurance fund is adequately funded and the
assets of the fund are protected, the cost of which can be
10 absorbed within existing resources.'

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STATEMENT OF FACT

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16 This amendment deletes the requirement that a separate fund
be set up within the Risk Management Division for the family
18 foster homes, respite care providers, Casco Bay Island Transit
District and schools. It also provides rule-making authority to
ensure that the fund is adequately funded and that the assets of
20 the fund are protected.

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Filed by Rep. Mitchell of Vassalboro
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House
(6/12/91) (Filing No. H-674)