

1 S.238

2 Introduced by Senators Ashe, Ayer, Lyons, MacDonald, Mullin, Sirotkin, and

3 Westman

4 Referred to Committee on

5 Date:

6 Subject: Health; health insurance; education; intermunicipal insurance

7 agreements

8 Statement of purpose of bill as introduced: This bill proposes to treat the  
9 municipalities that are parties to an intermunicipal agreement as a single entity  
10 for purposes of obtaining health coverage.

11 An act relating to intermunicipal insurance agreements for health care

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 24 V.S.A. § 4942 is amended to read:

14 § 4942. CONTENTS OF AGREEMENT

15 Two or more municipalities, by resolution of their respective legislative  
16 bodies or boards, may establish and enter into agreements for obtaining or  
17 effecting insurance by self-insurance, for obtaining or effecting insurance from  
18 any insurer authorized to transact business in this ~~state~~ State as an admitted or  
19 surplus lines carrier, or for obtaining and effecting insurance secured in  
20 accordance with any other method provided by law, or by combination of the

1 provisions of this section for obtaining and effecting insurance. Agreements  
2 made pursuant to this section may provide for pooling of self-insurance  
3 reserves, risks, claims, and losses, and of administrative services and expenses  
4 associated with the same, among municipalities. To accomplish the purposes  
5 of this subchapter, two or more municipalities may form an association under  
6 the laws of this ~~state~~ State to develop and administer an intermunicipal risk  
7 management program, having as its purposes reducing the risk of its members;  
8 safety engineering; distributing, sharing, and pooling risks; acquiring  
9 insurance, excess loss insurance, or reinsurance; and processing, paying, and  
10 defending claims against the members of such association. For purposes of  
11 health coverage, all school districts, supervisory unions, and other  
12 education-related organizations that are party to an intermunicipal insurance  
13 agreement governed by this chapter shall collectively be considered a single  
14 entity.

15 Sec. 2. EFFECTIVE DATE

16 This act shall take effect on passage.