

1 **STATE RISK MANAGEMENT REVIEW OF**
2 **STATE EMPLOYEE TERMINATIONS**

3 2000 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Keele Johnson**

6 AN ACT RELATING TO ADMINISTRATIVE SERVICES; MODIFYING PROVISIONS
7 GOVERNING RISK MANAGEMENT AND TERMINATION OF EMPLOYEES; AND
8 MAKING TECHNICAL CHANGES.

9 This act affects sections of Utah Code Annotated 1953 as follows:

10 AMENDS:

11 **63A-4-103**, as renumbered and amended by Chapter 212, Laws of Utah 1993

12 *Be it enacted by the Legislature of the state of Utah:*

13 Section 1. Section **63A-4-103** is amended to read:

14 **63A-4-103. Risk management -- Duties of state agencies.**

15 (1) (a) Unless specifically authorized by statute to do so, a state agency may not:

16 (i) purchase insurance or self-fund any risk unless authorized by the risk manager; or

17 (ii) procure or provide liability insurance for the state.

18 (b) (i) Notwithstanding the provisions of Subsection (1)(a), the State Board of Regents
19 may authorize higher education institutions to purchase insurance for, or self-fund, risks associated
20 with their programs and activities that are not covered through the risk manager.

21 (ii) The State Board of Regents shall provide copies of those purchased policies to the risk
22 manager.

23 (iii) The State Board of Regents shall ensure that the state is named as additional insured
24 on any of those policies.

25 (2) Each state agency and each governmental entity covered by the Risk Management Fund
26 created in Section 63A-4-201 shall:

27 (a) comply with reasonable risk related recommendations made by the risk manager;

- 28 (b) participate in risk management training activities conducted or sponsored by the risk
29 manager;
- 30 (c) include the insurance and liability provisions prescribed by the risk manager in all state
31 contracts, together with a statement certifying to the other party to the contract that the insurance
32 and liability provisions in the contract are those prescribed by the risk manager;
- 33 (d) at each principal design stage, provide written notice to the risk manager that
34 construction and major remodeling plans relating to agency buildings and facilities to be covered
35 by the fund are available for review, for risk control purposes, and make them available to the risk
36 manager for his review and recommendations; [and]
- 37 (e) cooperate fully with requests from the risk manager for agency planning, program, or
38 risk related information, and allow the risk manager to attend agency planning and management
39 meetings[-];
- 40 (f) provide copies of their termination policies and procedures to the risk manager; and
41 (g) inform and consult with the Division of Risk Management before terminating any
42 employee who has an expectation of continued employment.
- 43 (3) Failure to include in the contract the provisions required by Subsection (2)(c) does not
44 make the contract unenforceable by the state.

Legislative Review Note
as of 2-9-00 12:24 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel