

**Senator David L. Gladwell** proposes to substitute the following bill:

**LIABILITY COVERAGE FOR SCHOOL DISTRICT  
AND SCHOOL EMPLOYEES**

2001 GENERAL SESSION

STATE OF UTAH

**Sponsor: David L. Gladwell**

**This act modifies provisions related to Administrative Services to address issues of providing school employee information regarding state coverage of liability.**

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

AMENDS:

**63A-4-204**, as last amended by Chapter 225, Laws of Utah 1999

**63A-4-204.5**, as enacted by Chapter 231, Laws of Utah 1998

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

Section 1. Section **63A-4-204** is amended to read:

**63A-4-204. School district participation in Risk Management Fund.**

(1) (a) For the purpose of this section, action by a public school district shall be taken upon resolution by a majority of the members of ~~[its]~~ the school district's board of education.

(b) (i) Upon approval by the state risk manager and the board of education of the school district, a public school district may participate in the Risk Management Fund and may permit a foundation established under Section 53A-4-205 to participate in the Risk Management Fund.

(ii) Upon approval by the state risk manager and the State Board of Education, a state public education foundation may participate in the Risk Management Fund.

(c) Subject to any cancellation or other applicable coverage provisions, either the state risk manager or the public school district may terminate participation in the fund.

(2) The state risk manager shall contract for all insurance, legal, loss adjustment, consulting, loss control, safety, and other related services necessary to support the insurance



26 program provided to a participating public school district, except that all supporting legal services  
27 are subject to the prior approval of the state attorney general.

28 (3) (a) The state risk manager shall treat each participating public school district as a state  
29 agency when participating in the Risk Management Fund.

30 (b) Each public school district participating in the fund shall comply with the provisions  
31 of this part that affect state agencies.

32 [~~(4) (a) The risk manager shall at least annually:~~]

33 [~~(i) prepare information summarizing the coverage provided to school teachers by the Risk  
34 Management Fund; and]~~

35 [~~(ii) provide that information to participating school districts:]~~

36 [~~(b) Each participating school district shall provide the coverage information to each  
37 school teacher:]~~

38 (4) (a) By no later than March 31 of each year, the risk manager shall prepare, in writing,  
39 the information required by Subsection (4)(b) regarding the coverage against legal liability  
40 provided a school district employee of this state:

41 (i) by the Risk Management Fund;

42 (ii) under Title 63, Chapter 30, Utah Governmental Immunity Act; and

43 (iii) under Title 63, Chapter 30a, Reimbursement of Legal Fees and Costs to Officers and  
44 Employees.

45 (b) (i) The information described in Subsection (4)(a) shall include:

46 (A) the eligibility requirements, if any, to receive the coverage;

47 (B) the basic nature of the coverage for a school district employee; and

48 (C) whether the coverage is primary or in excess of any other coverage the risk manager  
49 knows is commonly available to a school district employee in this state.

50 (ii) The information described in Subsection (4)(a) may include:

51 (A) comparisons the risk manager considers beneficial to a school district employee  
52 between:

53 (I) the coverage described in Subsection (4)(a); and

54 (II) other coverage the risk manager knows is commonly available to a school district  
55 employee in this state; and

56 (B) any other information the risk manager considers appropriate.

57 (c) The risk manager shall provide the information prepared under this Subsection (4) to  
58 each school district that participates in the Risk Management Fund.

59 (d) A school district that participates in the Risk Management Fund shall provide a copy  
60 of the information described in Subsection (4)(c) to each school district employee within the  
61 school district:

62 (i) within 30 days of the day the school district employee is hired by the school district;

63 and

64 (ii) by no later than April 15 of each calendar year.

65 Section 2. Section **63A-4-204.5** is amended to read:

66 **63A-4-204.5. Charter school participation in Risk Management Fund.**

67 (1) A charter school established under the authority of Title 53A, Chapter 1a, Part 5, [the]  
68 Utah Charter Schools Act, may participate in the Risk Management Fund upon the approval of the  
69 state risk manager and the governing body of the charter school.

70 (2) (a) For purposes of administration, the state risk manager shall treat each charter school  
71 participating in the fund as a state agency.

72 (b) Each charter school participating in the fund shall comply with the provisions of this  
73 part that affect state agencies.

74 ~~[(3)(a) The risk manager shall at least annually:]~~

75 ~~[(i) prepare information summarizing the coverage provided to school teachers by the Risk~~  
76 ~~Management Fund; and]~~

77 ~~[(ii) provide that information to participating charter schools:]~~

78 ~~[(b) Each participating charter school shall provide the coverage information to each~~  
79 ~~school teacher.]~~

80 (3) (a) By no later than March 31 of each year, the risk manager shall prepare, in writing,  
81 the information required by Subsection (3)(b) regarding the coverage against legal liability  
82 provided a charter school employee of this state:

83 (i) by the Risk Management Fund;

84 (ii) under Title 63, Chapter 30, Utah Governmental Immunity Act; and

85 (iii) under Title 63, Chapter 30a, Reimbursement of Legal Fees and Costs to Officers and  
86 Employees.

87 (b) (i) The information described in Subsection (3)(a) shall include:

- 88           (A) the eligibility requirements, if any, to receive the coverage;  
89           (B) the basic nature of the coverage for a charter school employee; and  
90           (C) whether the coverage is primary or in excess of any other coverage the risk manager  
91 knows is commonly available to a charter school employee in this state.  
92           (ii) The information described in Subsection (3)(a) may include:  
93           (A) comparisons the risk manager considers beneficial to a charter school employee  
94 between:  
95           (I) the coverage described in Subsection (3)(a); and  
96           (II) other coverage the risk manager knows is commonly available to a charter school  
97 employee in this state; and  
98           (B) any other information the risk manager considers appropriate.  
99           (c) The risk manager shall provide the information prepared under this Subsection (3) to  
100 each charter school that participates in the Risk Management Fund.  
101           (d) A charter school that participates in the Risk Management Fund shall provide a copy  
102 of the information described in Subsection (3)(c) to each charter school employee within the  
103 charter school:  
104           (i) within 30 days of the day the charter school employee is hired by the charter school;  
105 and  
106           (ii) by no later than April 15 of each calendar year.