

90 renumbered and amended to read:

91 ~~[63A-4-101].~~ **63A-4-101.5. Risk manager -- Appointment -- Duties.**

92 (1) The executive director shall appoint a risk manager, who shall be qualified by
93 education and experience in the management of general property and casualty insurance.

94 (2) The risk manager shall:

95 (a) ~~§~~ **→ except as provided in Subsection (4), ←§** acquire and administer the following
95a purchased by the state ~~§~~ **→ [and] or ←§** any captive
96 insurance company created by the risk manager:

97 ~~[(i) all property, casualty insurance; and]~~

98 (i) all property and casualty insurance;

99 (ii) reinsurance of property and casualty insurance; and

100 ~~[(ii)]~~ (iii) subject to Section 34A-2-203, workers' compensation insurance;

101 (b) recommend that the executive director make rules:

102 (i) prescribing reasonable and objective underwriting and risk control standards for
103 ~~[state agencies];~~

104 (A) all covered entities of the Risk Management Fund; and

105 (B) any captive insurance company created by the risk manager;

106 (ii) prescribing the risks to be covered by the Risk Management Fund and the extent to
107 which these risks will be covered;

108 (iii) prescribing the properties, risks, deductibles, and amount limits eligible for
109 payment out of the ~~[fund]~~ Risk Management Fund;

110 (iv) prescribing procedures for making claims and proof of loss; and

111 (v) establishing procedures for the resolution of disputes relating to coverage or claims,
112 which may include binding arbitration;

113 (c) implement a risk management and loss prevention program for ~~[state agencies]~~
114 covered entities for the purpose of reducing risks, accidents, and losses to assist ~~[state officers~~
115 ~~and employees]~~ covered entities in fulfilling their responsibilities for risk control and safety;

116 (d) coordinate and cooperate with any ~~[state agency]~~ covered entity having
117 responsibility to manage and protect state properties, including:

118 (i) the state fire marshal;

119 (ii) the director of the Division of Facilities Construction and Management;

120 (iii) the Department of Public Safety; ~~[and]~~

- 121 (iv) institutions of higher education;
- 122 (v) school districts; and
- 123 (vi) charter schools;
- 124 (e) maintain records necessary to fulfill the requirements of this section;
- 125 (f) manage the ~~[fund]~~ Risk Management Fund and any captive insurance company
- 126 created by the risk manager in accordance with economically and actuarially sound principles
- 127 to produce adequate reserves for the payment of contingencies, including unpaid and
- 128 unreported claims, and may purchase any insurance or reinsurance considered necessary to
- 129 accomplish this objective; and
- 130 (g) inform the ~~[agency's]~~ covered entity's governing body and the governor when any
- 131 ~~[agency]~~ covered entity fails or refuses to comply with reasonable risk control
- 132 recommendations made by the risk manager.

133 (3) Before the effective date of any rule, the risk manager shall provide a copy of the

134 rule to each ~~[agency]~~ covered entity affected by it.

134a **§→ (4) The risk manager may not use a captive insurance company created by the risk**

134b **manager to purchase:**

134c **(a) workers' compensation insurance;**

134d **(b) health insurance; or**

134e **(c) life insurance. ←§**

135 Section 5. Section **63A-4-102** is amended to read:

136 **63A-4-102. Risk manager -- Powers.**

137 (1) The risk manager may:

138 (a) enter into contracts;

139 (b) form one or more captive insurance companies authorized under Title 31A, Chapter

140 37, Captive Insurance Companies Act;

141 ~~[(b)]~~ (c) purchase insurance or reinsurance;

142 ~~[(e)]~~ (d) adjust, settle, and pay claims;

143 ~~[(d)]~~ (e) pay expenses and costs;

144 ~~[(e)]~~ (f) study the risks of all ~~[state agencies]~~ covered entities and properties;

145 ~~[(f)]~~ (g) issue certificates of coverage ~~[to state agencies for]~~ or insurance for covered

146 entities with respect to any risks covered by the Risk Management Fund or any captive

147 insurance company created by the risk manager;

148 ~~[(g)]~~ (h) make recommendations about risk management and risk reduction strategies

149 to ~~[state agencies]~~ covered entities;

150 ~~[(h)]~~ (i) in consultation with the attorney general, prescribe insurance, indemnification,

151 and liability provisions to be included in all state contracts;