

1 ENGROSSED SENATE
2 BILL NO. 750

By: Bergstrom of the Senate

3 and

4 Lepak of the House

5
6 [State government-Educators' Professional Liability
7 Insurance Program - creating fund - codification -
8 effective date]

9 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

10 SECTION 1. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 85.58Q of Title 74, unless there
12 is created a duplication in numbering, reads as follows:

13 A. There is hereby created the Educators' Professional
14 Liability Insurance Program for all employees of public schools, as
15 that term is defined in Section 1-106 of Title 70 of the Oklahoma
16 Statutes, and charter schools, as that term is defined in subsection
17 D of Section 3-132 of Title 70 of the Oklahoma Statutes.
18 Participation in this program is mandatory for all employees of
19 public schools and charter schools as defined above.

20 B. The program shall provide Educators' Legal Liability
21 including Employment Practices insurance coverage for all employees
22 with a minimum of Two Million Dollars (\$2,000,000.00) in coverage
23 per occurrence.
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1 C. The program shall be administered by the Office of
2 Management and Enterprise Services (OMES). OMES shall promulgate
3 rules to implement the provisions of this act.

4 D. OMES shall be authorized to contract liability insurance
5 from a licensed insurer to create a self-insured risk pool or to use
6 a combination of both.

7 E. The insurance carrier providing any portion of coverage
8 provided under this act shall be selected by a competitive process.

9 F. The Legislature shall provide an annual appropriation to
10 cover the costs and any associated premiums for the program.

11 G. Each school district shall notify annually, in writing,
12 eligible employees about the coverage provided by the Educators'
13 Professional Liability Insurance Program.

14 H. OMES and the Department of Education shall notify in writing
15 all eligible employees about the Educators' Professional Liability
16 Insurance Program. The notice shall specifically inform employees
17 that coverage is provided automatically as part of their employment.
18 The notice shall be given upon hiring and annually thereafter.

19 I. Nothing in this section shall be construed to exempt a local
20 school district from any current obligations or duties nor amend the
21 Governmental Tort Claims Act provided in Sections 151 through 172 of
22 Title 51 of the Oklahoma Statutes.

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 85.58R of Title 74, unless there
3 is created a duplication in numbering, reads as follows:

4 A. The Risk Management Administrator, pursuant to Section
5 85.58A of Title 74 of the Oklahoma Statutes and the provisions of
6 Section 1 of this act, may obtain or provide insurance coverage,
7 self-insurance or any combination of the two for any school district
8 requesting loss prevention or insurance services. Insurance
9 coverage may address or relate to any services provided by school
10 districts.

11 B. Coverage available through the Risk Management Department of
12 the Office of Management and Enterprise Services may include:

- 13 1. Vehicle liability and tort liability, corresponding with the
14 Governmental Tort Claims Act provided in Sections 151 through 172 of
15 Title 51 of the Oklahoma Statutes;
- 16 2. Commercial property insurance;
- 17 3. Fine arts insurance; and
- 18 4. Any other coverage as requested by a school district.

19 SECTION 3. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 85.58S of Title 74, unless there
21 is created a duplication in numbering, reads as follows:

22 There is hereby created in the State Treasury an interest
23 bearing revolving fund for the Risk Management Department of the
24 Office of Management and Enterprise Services, to be designated the

1 "Risk Management School District Revolving Fund". The fund shall be
2 a continuing fund, not subject to fiscal year limitations, and shall
3 consist of any monies transferred thereto by an act of the
4 Legislature and any fees collected by the Risk Management Department
5 of the Office of Management and Enterprise Services in accordance
6 with Section 85.58M of Title 74 of the Oklahoma Statutes and the
7 provisions of this act. All monies accruing to the credit of the
8 fund are hereby appropriated and may be budgeted and expended by the
9 Risk Management Department of the Office of Management and
10 Enterprise Services for the purposes of the Educators' Professional
11 Liability Program, pursuant to Section 85.58A of Title 74 of the
12 Oklahoma Statutes and the provisions of Section 1 of this act, as
13 herein established for school districts including the salaries and
14 administrative expenses of support staff responsible for
15 administering the fund and expenses the Department incurs to support
16 program operations. Expenditures from the fund shall be made upon
17 warrants issued by the State Treasurer against claims filed as
18 prescribed by law with the Director of State Finance for approval
19 and payment.

20 SECTION 4. This act shall become effective November 1, 2019.
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1 Passed the Senate the 13th day of March, 2019.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2019.

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8 _____
9 Presiding Officer of the House
10 of Representatives