

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 57th Legislature (2019)

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 750

By: Bergstrom of the Senate

and

Lepak of the House

8
9
10 COMMITTEE SUBSTITUTE

11 [State government - Educators' Professional
12 Liability Insurance Program - creating fund -
13 codification - effective date]

14
15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

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

19 A. There is hereby created the Educators' Professional
20 Liability Insurance Program for all employees of public schools, as
21 that term is defined in Section 1-106 of Title 70 of the Oklahoma
22 Statutes, and charter schools, as that term is defined in subsection
23 D of Section 3-132 of Title 70 of the Oklahoma Statutes.

1 Participation in this program is mandatory for all employees of
2 public schools and charter schools as defined above.

3 B. The program shall provide Educators' Legal Liability
4 including Employment Practices insurance coverage for all employees
5 up to Two Million Dollars (\$2,000,000.00) in coverage per
6 occurrence.

7 C. The program shall be administered by the Office of
8 Management and Enterprise Services (OMES). OMES shall promulgate
9 rules to implement the provisions of this act.

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

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

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

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

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

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

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

8 There is hereby created in the State Treasury an interest
9 bearing revolving fund for the Office of Management and Enterprise
10 Services, to be designated the "Educators' Professional Liability
11 Insurance Program Revolving Fund". The fund shall be a continuing
12 fund, not subject to fiscal year limitations, and shall consist of
13 all monies received by the Office of Management and Enterprise
14 Services in accordance with the Educators' Professional Liability
15 Insurance Program. All monies accruing to the credit of the fund
16 are hereby appropriated and may be budgeted and expended by the
17 Office of Management and Enterprise Services for the purposes of the
18 Educators' Professional Liability Insurance Program. Expenditures
19 from the fund shall be made upon warrants issued by the State
20 Treasurer against claims filed as prescribed by law with the
21 Director of the Office of Management and Enterprise Services for
22 approval and payment.

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SECTION 3. This act shall become effective November 1, 2019.

COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 04/10/2019 - DO
PASS, As Amended.