



General Assembly

January Session, 2005

Raised Bill No. 6917

LCO No. 4472

04472_____INS

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT CONCERNING INTERLOCAL RISK MANAGEMENT AGENCIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 7-479f of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2005*):

3 (a) An interlocal risk management pool shall not function as a
4 means of sharing among members of an interlocal risk management
5 agency risks of loss for or from public liability, workers' compensation,
6 automobile risks, property perils or losses in excess of retentions until
7 the interlocal risk management agency administering such a pool
8 [shall have] has received contributions from members in the amount of
9 one million dollars with respect to a workers' compensation or an
10 excess risk pool, and two million dollars with respect to a public
11 liability, automobile and property pool, [provided] except that (1) in
12 cases where a member has agreed to pay its annual contribution
13 monthly, quarterly or in other installments, the full amount of its
14 annual contribution shall be included in calculating the applicable
15 dollar requirement of this [subsection] section if such first installment
16 has been paid by the time the pool is to commence its risk-sharing

17 function, and (2) on and after July 1, 2005, any agency that has not
18 received the full amount of contributions from members as required in
19 this section shall have received (A) in its first year of operation, twenty
20 per cent of required contributions, (B) in its second year of operation,
21 forty per cent of required contributions, (C) in its third year of
22 operation, sixty per cent of required contributions, (D) in its fourth
23 year of operation, eighty per cent of required contributions, and (E) in
24 its fifth year of operation, one hundred per cent of required
25 contributions.

26 (b) An interlocal risk management agency which operates an
27 interlocal workers' compensation risk management pool and a
28 separate hypertension and heart disease pool may function as a means
29 of sharing both such categories of risks after receiving contributions
30 from members in the amount of one million dollars in the aggregate
31 with respect to both such pools.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2005	7-479f

Statement of Purpose:

To allow newer interlocal risk management agencies to collect mandated reserves over a five-year period.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]