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EXECUTIVE ORDER ESTABLISHING A  
RISK MANAGEMENT ADVISORY COMMITTEE

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SUMMARY OF EXECUTIVE ORDER:

Executive Order establishing a Risk Management Advisory Committee and directing the Department of Administration, with the cooperation of the other instrumentalities of state government, to designate a risk management representative for each respective entity to coordinate and recommend implementation of a comprehensive risk management plan for Montana state government operations.

DECLARATIONS:

WHEREAS, Section 2-9-101, MCA, empowers the Department of Administration with the responsibility for the acquisition and administration of all the insurance purchased for the protection of the state; and

WHEREAS, the Department of Administration shall, after consultation with the departments, agencies, commissions, and other instrumentalities of the state provide a comprehensive insurance plan for the state; and

WHEREAS, all offices, departments, agencies, authorities, commissions, boards, institutions, hospitals, colleges, universities and other instrumentalities of the state, hereafter called state participants, are statutorily required to comply with the insurance plan developed by the Department of Administration pursuant to Section 2-9-201, MCA; and

WHEREAS, risk management is an essential component in the formation of a comprehensive state insurance plan; and

WHEREAS, a systematic and organized approach to managing risks through effective loss prevention, cost effective risk management techniques, and insurance coverage will reduce the conditions and practices which cause insurable losses; and

WHEREAS, the protection of the state of Montana's physical and human resources is of vital interest to our well being as a state, and to its citizens.

NOW, THEREFORE, I, STAN STEPHENS, Governor of the State of Montana, pursuant to the authority vested in me by the Constitution of the State of Montana and other applicable statutes, do hereby establish the Risk Management Advisory Committee consisting of one representative from each of the following indicated functional areas of state government:

- 1) Department of Administration
- 2) Department of Agriculture
- 3) Department of Commerce
- 4) Department of Family Services
- 5) Department of Fish, Wildlife & Parks
- 6) Department of Health & Environmental Sciences
- 7) Department of Transportation
- 8) Department of Corrections & Human Services
- 9) Department of Justice
- 10) Department of Labor & Industry
- 11) Department of Livestock
- 12) Department of Military Affairs
- 13) Department of Natural Resources & Conservation
- 14) Public Service Commission
- 15) Department of Revenue
- 16) Department of Social & Rehabilitation Services
- 17) Department of State Lands
- 18) Commissioner of Higher Education
- 19) Office of Public Instruction
- 20) Office of Secretary of State
- 21) Legislative Council
- 22) Montana Judiciary

The full Committee shall convene at least annually. Subcommittees consisting of uniform or similar risk management issues shall convene from time to time as requested by the chairperson.

**PURPOSE:**

The purpose of the Committee shall be to:

- 1) Make recommendations to the Governor, other elected officials and department directors on implementation of a) a risk management plan within each instrumentality of state government and, b) risk awareness activities as an integral part of operating procedures.
- 2) Serve in an advisory capacity to resolve problems which may arise with insurance coverage or risk management concerns involving protection of state assets and resources.
- 3) Disseminate and collect insurance and risk management information from state entities to maintain and preserve the insurability and viability of state assets.
- 4) Review alternatives and make recommendations to the Governor for adoption of risk management policies and,

when necessary, recommend administrative or legislative action.

The Director of the Department of Administration, or his designee, shall serve as chairperson and shall represent the Office of the Governor.

I further direct the Department of Administration, in accordance with general policy direction established by the Division of Risk Management and Tort Defense, and in cooperation with other instrumentalities of state government, to develop, annually update and present to the Governor, a recommended risk management plan.

The plan shall provide for the effective and efficient allocation of insurance and risk management resources and shall address the need for collecting, summarizing, and disseminating insurance, risk management, claims, and loss prevention information. The Department of Administration shall submit the plan to the Office of the Governor annually.

**EFFECTIVE DATE:**

This Order is effective immediately and shall remain in effect until it is rescinded.


GIVEN under my hand and the GREAT SEAL of the State of Montana, this 14<sup>th</sup> day of December, in the year of our Lord, one thousand nine hundred and ninety-one.



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STAN STEPHENS  
Governor

ATTEST:



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MIKE COONEY  
Secretary of State