

HOUSE JOINT RESOLUTION 7

Introduced by Wanzenried

12/09	Introduced
12/09	Referred to Education & Cultural Resources
12/09	First Reading
12/09	Fiscal Note Requested
12/14	Hearing
12/13	Tabled in Committee
12/14	Fiscal Note Received

1        House JOINT RESOLUTION NO. 7  
2        INTRODUCED BY UNANIMOUS  
3

4        A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF  
5        REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN  
6        INTERIM STUDY OF SCHOOL DISTRICT INSURANCE PURCHASING  
7        PRACTICES, INCLUDING THE PURCHASE OF WORKERS' COMPENSATION  
8        COVERAGE, PROPERTY AND CASUALTY COVERAGE, AND EMPLOYEE GROUP  
9        HEALTH INSURANCE; AND REQUIRING A REPORT OF THE FINDINGS OF  
10       THE STUDY TO THE 54TH LEGISLATURE.  
11

12       WHEREAS, policymakers and citizens in the State of  
13       Montana have expressed strong interest in promoting greater  
14       efficiencies and cost savings in the operation of the  
15       state's public school districts; and

16       WHEREAS, one of the areas in which school districts,  
17       local governments, and state government in general may be  
18       able to economize is in the purchase of various insurance  
19       programs that are mandated or are necessary for those  
20       jurisdictions, including workers' compensation insurance,  
21       property and casualty insurance, and employee group health  
22       coverage; and

23       WHEREAS, the various jurisdictions are currently able to  
24       cooperate through the interlocal agreement process to create  
25       a larger pool for or a self-insured program for the purchase

1       of the various types of insurance; and

2       WHEREAS, further incentives or mandates for  
3       participation in cooperative insurance purchasing may be  
4       necessary; and

5       WHEREAS, the potential benefits of a pooled approach to  
6       insurance coverage includes lower average costs, greater  
7       assurance of continued availability of the various insurance  
8       programs, greater responsiveness to the needs of the  
9       jurisdictions involved, enhanced ability to provide  
10       effective risk management programs, and shared  
11       administrative costs; and

12       WHEREAS, an examination of existing pooled insurance  
13       programs in the state may demonstrate the potential benefits  
14       and challenges in this policy area.  
15

16       NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE  
17       OF REPRESENTATIVES OF THE STATE OF MONTANA:

18       That the Legislative Council is requested to assign to  
19       the Joint Interim Subcommittee on School Revenue created  
20       under House Bill No. 667 (Chapter 633, Laws of 1993), to the  
21       Joint Interim Subcommittee on Insurance Issues created under  
22       Senate Joint Resolution No. 31, Laws of 1993, to a separate  
23       interim committee, or as otherwise considered appropriate  
24       the study of school district insurance practices and that  
25       the study include:

1 (1) a review of how school districts obtain property  
2 and casualty coverage, employee group health insurance, and  
3 any other insurance needs of the district;

4 (2) the extent to which districts currently cooperate  
5 to secure all types of insurance coverage, including  
6 available incentives for pooling that may be offered by the  
7 insurance industry;

8 (3) the feasibility of establishing a statewide or  
9 regional approach to bidding, pooling, or self-insurance for  
10 insurance coverage for all types of risks; and

11 (4) the potential for savings on administration of  
12 insurance programs and for the provision of effective risk  
13 management programs to reduce the severity and frequency of  
14 losses.

15 BE IT FURTHER RESOLVED, that in conducting the study,  
16 assistance and information may be requested from the  
17 Department of Administration and the Office of Public  
18 Instruction.

19 BE IT FURTHER RESOLVED, that private and not-for-profit  
20 insurance providers in the state offer their expertise and  
21 assistance to accomplish the goals of the study.

22 BE IT FURTHER RESOLVED, that the findings, conclusions,  
23 options for consideration, and recommendations compiled from  
24 the study be reported to the 54th Legislature.

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