SB 35 - AS INTRODUCED

2021 SESSION

21-0561
05/10

SENATE BILL ***35***

AN ACT relative to membership in risk pools.

SPONSORS: Sen. Cavanaugh, Dist 16; Sen. D'Allesandro, Dist 20

COMMITTEE: Commerce

ANALYSIS

This bill allows founding organizations of existing pooled risk management programs to obtain certain coverage through the risk pool if the governing board approves their participation.

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Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

21-0561
05/10

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to membership in risk pools.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Pooled Risk Management Programs; Membership. Amend RSA 5-B:3, I to read as follows:

I.***(a)*** A political subdivision, by resolution of its governing body, may establish and enter into agreements for obtaining or implementing insurance by self-insurance; for obtaining insurance from any insurer authorized to transact business in this state as an admitted or surplus lines carrier; or for obtaining insurance secured in accordance with any method provided by law; or for obtaining insurance by any combination of the provisions of this paragraph. Agreements made pursuant to this paragraph may provide for pooling of self-insurance reserves, risks, claims and losses, and of administrative services and expenses associated with them among political subdivisions. To accomplish the purposes of this chapter, 2 or more political subdivisions may form an association under the laws of this state or affirm an existing association so formed to develop and administer a risk management program having as its purposes reducing the risk of its members; safety engineering; distributing, sharing, and pooling risks; acquiring insurance, excess loss insurance, or reinsurance; and processing, paying and defending claims against the members of such association.

(b) Founding organizations of existing pooled risk management programs may join the risk pool and obtain coverage allowed under subparagraphs III(f) and (g) upon approval of the governing board of the risk management program.

2 Effective Date. This act shall take effect upon its passage.