

**670.7 Insurance.**

1. The governing body of a municipality may purchase a policy of liability insurance insuring against all or any part of liability which might be incurred by the municipality or its officers, employees, and agents under [section 670.2](#) and [section 670.8](#) and may similarly purchase insurance covering torts specified in [section 670.4](#). The governing body of a municipality may adopt a self-insurance program, including but not limited to the investigation and defense of claims, the establishment of a reserve fund for claims, the payment of claims, and the administration and management of the self-insurance program, to cover all or any part of the liability. The governing body of a municipality may join and pay funds into a local government risk pool to protect itself against any or all liability. The governing body of a municipality may enter into insurance agreements obligating the municipality to make payments beyond its current budget year to provide or procure the policies of insurance, self-insurance program, or local government risk pool. The premium costs of the insurance, the costs of a self-insurance program, the costs of a local government risk pool, and the amounts payable under the insurance agreements may be paid out of the general fund or any available funds or may be levied in excess of any tax limitation imposed by statute. However, for school districts, the costs shall be included in the district management levy as provided in [section 296.7](#) if the district has certified a district management levy. If the district has not certified a district management levy, the cost shall be paid from the general fund. Any independent or autonomous board or commission in the municipality having authority to disburse funds for a particular municipal function without approval of the governing body may similarly enter into insurance agreements, procure liability insurance, adopt a self-insurance program, or join a local government risk pool within the field of its operation.

2. The procurement of this insurance constitutes a waiver of the defense of governmental immunity as to those exceptions listed in [section 670.4](#) to the extent stated in the policy but shall have no further effect on the liability of the municipality beyond the scope of [this chapter](#), but if a municipality adopts a self-insurance program or joins and pays funds into a local government risk pool the action does not constitute a waiver of the defense of governmental immunity as to the exceptions listed in [section 670.4](#).

3. The existence of any insurance which covers in whole or in part any judgment or award which may be rendered in favor of the plaintiff, or lack of any such insurance, shall not be material in the trial of any action brought against the governing body of a municipality, or its officers, employees, or agents, and any reference to such insurance, or lack of insurance, is grounds for a mistrial. A self-insurance program or local government risk pool is not insurance and is not subject to regulation under [chapters 505 through 523C](#).

4. The association of Iowa fairs or a fair as defined in [section 174.1](#) shall be deemed to be a municipality as defined in [this chapter](#) only for the purpose of joining a local government risk pool as provided in [this section](#).

[C71, 73, 75, 77, 79, 81, §613A.7]

[86 Acts, ch 1211, §34](#); [89 Acts, ch 135, §123](#)

C93, §670.7

[94 Acts, ch 1175, §17](#); [2008 Acts, ch 1139, §3](#); [2008 Acts, ch 1191, §132](#)

Referred to in [§174.8A, §285.10](#)