

Senate File 2400 - Enrolled

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AN ACT

RELATING TO MUNICIPAL RISK PROTECTION AND THE CLASSIFICATION
OF LIBRARY DISTRICTS AS MUNICIPALITIES FOR THE PURPOSE OF
JOINING A LOCAL GOVERNMENT RISK POOL AND INCLUDING EFFECTIVE
DATE PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 670.7, subsection 1, Code 2018, is amended to read as follows:

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 the municipality against any or all liability, loss of property, or any other risk associated with the operation of the municipality. 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.

Sec. 2. Section 670.7, subsection 4, Code 2018, is amended to read as follows:

4. The association of Iowa fairs or a fair as defined in [section 174.1](#) and a library district established pursuant to section 336.2 shall each 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](#).

Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

CHARLES SCHNEIDER
President of the Senate

LINDA UPMAYER
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2400, Eighty-seventh General Assembly.

W. CHARLES SMITHSON
Secretary of the Senate

Approved _____, 2018

KIM REYNOLDS
Governor