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I N   S E N A T E

January 9, 2012

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Introduced by Sen. YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the general municipal law, in relation to authorizing boards of cooperative educational services to establish workers' compensation reserve funds

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. The section heading and subdivisions 1, 3, 4 and 6 of  
2     section 6-j of the general municipal law, the section heading as amended  
3     by chapter 704 of the laws of 1956, subdivisions 1, 4 and 6 as amended  
4     by chapter 340 of the laws of 1973, subdivision 3 as amended by chapter  
5     140 of the laws of 1996 and subdivision 6 as renumbered by chapter 433  
6     of the laws of 1987, are amended to read as follows:  
7     [Workmen's] WORKERS' compensation reserve fund. 1. The governing board  
8     of any municipal corporation, school district, BOARD OF COOPERATIVE  
9     EDUCATIONAL SERVICES or fire district, which is, or shall [hereafter]  
10    become a self-insurer under the provisions of SUBDIVISION FOUR OF  
11    section fifty[, subdivision four] of the [workmen's] WORKERS' compen-  
12    sation law or section thirty of the volunteer [firemen's] FIREFIGHTERS'  
13    benefit law may establish a reserve fund to be known as the [workmen's]  
14    WORKERS' compensation reserve fund of such municipal corporation, school  
15    district, BOARD OF COOPERATIVE EDUCATIONAL SERVICES or fire district.  
16    3. The moneys in such fund shall be deposited and secured in the  
17    manner provided by section ten of this article. The money in such fund  
18    so deposited shall be accounted for separate and apart from all other  
19    funds of the municipality, school district, BOARD OF COOPERATIVE EDUCA-  
20    TIONAL SERVICES or fire district, in the same manner as provided in  
21    subdivision ten of section six-c of this article. The governing board,  
22    or the chief fiscal officer of such municipality, school district, BOARD  
23    OF COOPERATIVE EDUCATIONAL SERVICES or fire district, if the governing  
24    board shall delegate such duty to him OR HER, may invest the moneys in  
25    such fund in the manner provided in section eleven of this article. Any  
26    interest earned or capital gain realized on the money so deposited or  
27    invested shall accrue to and become part of such fund. The separate

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 identity of such fund shall be maintained whether its assets consist of  
2 cash or investments or both.

3 4. An expenditure shall be made from such fund only for the payment of  
4 compensation and benefits, medical, hospital or other expense authorized  
5 by article two of the [workmen's] WORKERS' compensation law and by the  
6 volunteer [firemen's] FIREFIGHTERS' benefit law and expenses of adminis-  
7 tering the self-insurance program for such municipal corporation, school  
8 district, BOARD OF COOPERATIVE EDUCATIONAL SERVICES or fire district.

9 6. If the municipal corporation, school district, BOARD OF COOPERATIVE  
10 EDUCATIONAL SERVICES or fire district shall, after the establishment of  
11 such fund, cease to be a self-insurer, the moneys remaining in such fund  
12 may be transferred to any other fund authorized by this chapter or  
13 section thirty-six hundred fifty-one of the education law only to the  
14 extent that the moneys in such fund shall exceed in amount the sum  
15 sufficient to pay all expenditures authorized in [paragraph numbered]  
16 SUBDIVISION four OF THIS SECTION, both accrued and contingent.

17 S 2. This act shall take effect immediately.