

STATE OF NEW YORK

2065

2021-2022 Regular Sessions

IN SENATE

January 19, 2021

Introduced by Sens. JORDAN, AKSHAR, BOYLE, GALLIVAN, TEDISCO -- 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 all school districts to establish reserve funds

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Paragraph (a) of subdivision 2 of section 6-n of the general municipal law, as amended by chapter 246 of the laws of 2020, is
2 amended to read as follows:

3 (a) The governing board of any municipal corporation may establish a
4 reserve fund to be known as the insurance reserve fund. Upon the
5 creation of the fund, the municipality may make expenditures from the
6 fund for any loss, claim, action or judgment for which the municipal
7 corporation is authorized or required to purchase or maintain insurance,
8 except those kinds of risks for which insurance is authorized pursuant
9 to paragraph one, two, three, fifteen, sixteen, seventeen, eighteen,
10 twenty-two or twenty-three of subsection (a) of section one thousand one
11 hundred thirteen of the insurance law, or for payments in lieu of
12 contributions under article eighteen of the labor law; provided however,
13 that no municipality shall make an expenditure from such fund for any
14 loss, claim, action or judgment for which the municipal corporation has
15 established a reserve fund under any other provision of law; provided,
16 further that the Scarsdale union free school district, the Mamaroneck
17 union free school district, the Minisink Valley central school district,
18 the Vernon Verona Sherrill central school district, the Ithaca city
19 school district, the Kenmore-Town of Tonawanda union free school
20 district, the Bedford central school district, the Grand Island central
21 school district, the Tonawanda city school district, the enlarged city
22 school district of Middletown, the Frontier central school district, and
23 the Binghamton city school district and any other school district may
24

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

LBD00809-01-1

1 establish insurance reserve funds in compliance with this section and
2 article seventy-four of the education law, in an amount and manner
3 determined by a qualified and independent actuary certified by the Amer-
4 ican Academy of Actuaries to be reasonable and necessary, and such
5 school districts may make expenditures in compliance with this section
6 and article seventy-four of the education law from such reserve fund for
7 any loss, claim, action or judgment for which the school districts are
8 authorized or required to purchase or maintain insurance for the kinds
9 of risks for which insurance is authorized pursuant to paragraph three
10 of subsection (a) of section one thousand one hundred thirteen of the
11 insurance law.

12 § 2. This act shall take effect on the first of July next succeeding
13 the date on which it shall have become a law.