STATE OF NEW YORK

7702--A

Cal. No. 570

IN SENATE

February 9, 2018

Introduced by Sens. MARCHIONE, AKSHAR, AMEDORE, FUNKE, GALLIVAN, MURPHY, ORTT, PHILLIPS, RANZENHOFER, SEWARD -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

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:

Section 1. Paragraph (a) of subdivision 2 of section 6-n of the general municipal law, as separately amended by chapters 414 and 416 of the laws of 2016, is amended to read as follows:

(a) The governing board of any municipal corporation may establish a reserve fund to be known as the insurance reserve fund. Upon the creation of the fund, the municipality may make expenditures from the fund for any loss, claim, action or judgment for which the municipal corporation is authorized or required to purchase or maintain insurance, except those kinds of risks for which insurance is authorized pursuant to paragraph one, two, three, fifteen, sixteen, seventeen, eighteen, twenty-two or twenty-three of subsection (a) of section one thousand one hundred thirteen of the insurance law, or for payments in lieu of contributions under article eighteen of the labor law; provided however, that no municipality shall make an expenditure from such fund for any loss, claim, action or judgment for which the municipal corporation has established a reserve fund under any other provision of law; provided, further that [~~the Scarsdale union free school district and the Vernon Verona Sherrill central school district may establish insurance reserve funds in compliance with this section and article seventy-four of the education law and the Minisink Valley central~~] **any** school district may establish insurance reserve funds in compliance with this section and article seventy-four of the education law**, in an amount and manner determined by a qualified and independent actuary certified by the American Academy of Actuaries to be reasonable and necessary,** and such

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

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school districts may make expenditures in compliance with this section and article seventy-four of the education law from such reserve fund for any loss, claim, action or judgment for which the school districts are authorized or required to purchase or maintain insurance for the kinds of risks for which insurance is authorized pursuant to paragraph three of subsection (a) of section one thousand one hundred thirteen of the insurance law.

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