

FIRST REGULAR SESSION

SENATE BILL NO. 151

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS CALLAHAN AND STOUFFER.

Read 1st time January 20, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

0754S.01I

AN ACT

To repeal section 537.620, RSMo, and to enact in lieu thereof one new section relating to the acquisition of insurance coverage by certain political subdivision syndicates without the need for soliciting competitive bids.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 537.620, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 537.620, to read as follows:

537.620. Notwithstanding any direct or implied prohibitions in chapter
2 375, 377, or 379, any three or more political subdivisions of this state may form
3 a business entity for the purpose of providing liability and all other insurance,
4 including insurance for elderly or low-income housing in which the political
5 subdivision has an insurable interest, for any of the subdivisions upon the
6 assessment plan as provided in sections 537.600 to 537.650. Any public
7 governmental body or quasi-public governmental body, as defined in section
8 610.010, and any political subdivision of this state or any other state may join
9 this entity and use public funds to pay any necessary assessments. Except for
10 being subject to the regulation of the director of the department of insurance,
11 financial institutions and professional registration under sections 375.930 to
12 375.948, sections 375.1000 to 375.1018, and sections 537.600 to 537.650, any such
13 business entity shall not be deemed to be an insurance company or insurer under
14 the laws of this state, and the coverage provided by such entity and the
15 administration of such entity shall not be deemed to constitute the transaction
16 of an insurance business. **Risk coverages procured under this section shall
17 not be deemed to constitute a contract, purchase, or expenditure of
18 public funds for which a public governmental body, quasi-public
19 governmental body, or political subdivision is required to solicit
20 competitive bids.**

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