

SECOND REGULAR SESSION

HOUSE BILL NO. 1703

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE YATES.

Read 1st time February 8, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

5067L.01I

AN ACT

To repeal section 537.620, RSMo, and to enact in lieu thereof one new section relating to insurance pooling.

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Section A. Section 537.620, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 537.620, to read as follows: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 375, RSMo, 377, RSMo, or 379, RSMo, any three or more political subdivisions of this state may form a business entity for the purpose of providing liability and all other insurance, including insurance for elderly or low-income housing in which the political subdivision has an insurable interest, for any of the subdivisions upon the assessment plan as provided in sections 537.600 to 537.650. Any political subdivision **of this state or any other state** may join this entity and use public funds to pay any necessary assessments. **Except as otherwise provided in sections 375.930 to 375.949, RSMo, and sections 537.600 to 537.650, any such business entity shall not be deemed to be an insurance company or insurer under the laws of this state, and the coverage provided by such entity and the administrator of such entity shall not be deemed to constitute the transaction of an insurance business.**

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EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.