

## CHAPTER 312

AN ACT concerning school district self-insurance groups and amending P.L.1983, c.108.

**BE IT ENACTED** *by the Senate and General Assembly of the State of New Jersey:*

1. Section 1 of P.L.1983, c.108 (C.18A:18B-1) is amended to read as follows:

C.18A:18B-1 Definitions.

1. For the purposes of this act:

a. "Fund" means a joint self-insurance fund established by a school board insurance group pursuant to this act. The joint self-insurance fund is a fund of public moneys from contributions made by members of a school board insurance group for the purpose of securing insurance protection, risk management programs, or related services as authorized by this act;

b. "School board insurance group" or "group" means an association formed by two or more boards of education or the New Jersey School Boards Association for the development, administration, and provision of risk management programs, joint self-insurance fund or funds, and related services;

c. "Risk management program" means a plan, and activities carried out under the plan, by a school board insurance group to reduce risk of loss with respect to a particular line of insurance protection or coverage provided by a fund pursuant to this act, including safety engineering and other loss prevention and control techniques. Risk management program also includes the administration of one or more funds, including the processing and defense of claims brought against or on behalf of members of the group;

d. "Trustees" or "board of trustees" means the board of trustees established pursuant to the bylaws of the school board insurance group to govern or manage the risk management programs, joint self-insurance fund or funds and related services of the group;

e. "Contributions" mean the moneys paid by a member of a school board insurance group in amounts as may be set by the board of trustees or other officers as provided in the group's bylaws for the purpose of participating in a joint self-insurance fund or funds, securing risk management programs or related services;

f. "Certified audit" means an audit upon which an auditor expresses his professional opinion that the accompanying statements present fairly the financial position of a fund in conformity with generally accepted accounting principles consistently applied, and accordingly including tests of the accounting records and other auditing procedures as considered necessary in the circumstances;

g. "Commissioner" means the Commissioner of Banking and Insurance.

2. This act shall take effect immediately.

Approved January 13, 2008.