

SENATE BILL NO. 117

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY SENATOR TAYLOR

Introduced: 3/24/99

Referred: HESS, Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to property insurance required for school districts."

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** AS 14.03.150(a) is amended to read:

4 (a) Each school district shall purchase and maintain or provide proof of
5 adequate property insurance for the replacement cost of all school facilities and
6 equipment. **A school district is not required to purchase and maintain or provide**
7 **proof of coverage for losses due to (1) floods, except that the school district shall**
8 **purchase and maintain or provide coverage for the school facilities that are**
9 **located on a flood plain; or (2) earthquakes.** Insurance purchased to comply with
10 this section may contain a deductible amount, if approved by the department. A
11 school district may comply with this section by initiating and maintaining a program
12 of self-insurance, if the department annually determines that the school district has
13 submitted adequate evidence of the district's ability to self-insure for the replacement
14 cost of all school facilities and equipment. A copy of the insurance policy or other
15 information indicating compliance with this section shall be provided to the

1 department.