

### **161.212 Educators Employment Liability Insurance Program -- Fund.**

- (1) The Educators Employment Liability Insurance Program is hereby established in the Kentucky Department of Education for the purpose of providing educators employment liability insurance to protect all certified employees of Kentucky public schools from liability for judgments or settlements that are in excess of the coverage provided in KRS 160.105.
- (2) Not later than July 1, 2024, the department shall contract with an insurance agency, broker, or company to provide excess liability coverage to the coverage required in KRS 160.105 for an additional amount of not less than one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate for each certified employee, which shall be inclusive of legal fees. The department shall notify each certified employee that the coverage has been provided.
- (3) If the certified educators' association with the largest number of members in the Commonwealth provides greater, more comprehensive coverage than the amounts provided in subsection (2) of this section, then the coverage provided by the program in subsection (2) shall be at least equivalent to that amount.
- (4) The purchase of liability insurance under this section shall not constitute a waiver of any immunity or defense the insured may now or in the future assert under state or federal law, regulation, or rule.
- (5) The Kentucky Board of Education shall promulgate administrative regulations in accordance with KRS Chapter 13A to implement the insurance program under this section.
- (6)
  - (a) The Educators Employment Liability Insurance Program fund is hereby created as a trust and agency account fund in the State Treasury to be administered by the Kentucky Department of Education for the purpose of providing educators' employment liability insurance to certified employees as described in this section.
  - (b) The fund shall consist of general fund appropriations, gifts and grants from public and private sources, and federal funds. All moneys included in the fund shall be appropriated for the purposes set forth in this section.
  - (c) Any unallotted or unencumbered balances in the fund shall be invested as provided in KRS 42.500(9). Income earned from the investments shall be credited to the fund.
  - (d) Notwithstanding KRS 45.229, any fund balance at the close of the fiscal year shall not lapse but shall be carried forward to the next fiscal year and continuously appropriated only for the purposes specified in this section.

**Effective:** June 29, 2023

**History:** Created 2023 Ky. Acts ch. 99, sec. 1, effective June 29, 2023.