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HOUSE BILL NO. 507**AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the House Committee on General Laws
on January 31, 2002)

(Patrons Prior to Substitute—Delegates Drake and Bloxom [HB 615])

*A BILL to amend and reenact § 2.2-1837 of the Code of Virginia, relating to legal services and risk management plan for chaplains.***Be it enacted by the General Assembly of Virginia:****1. That § 2.2-1837 of the Code of Virginia is amended and reenacted as follows:**

§ 2.2-1837. Risk management plan for public liability.

A. Subject to the approval of the Governor, the Division shall establish a risk management plan, which may be purchased insurance, self-insurance or a combination of self-insurance and purchased insurance to provide:

1. Protection against liability imposed by law for damages resulting from any claim:

a. Made against any state department, agency, institution, board, commission, officer, agent, or employee for acts or omissions of any nature while acting in an authorized governmental or proprietary capacity and in the course and scope of employment or authorization;

b. Made against participants, other than professional counsel, in student disciplinary proceedings at public institutions of higher education for nonmalicious acts or omissions of any nature in the course and scope of participation in the proceedings; or

c. Resulting from an authorized indemnification agreement entered into by a Virginia public institution of higher education, which agreements the institutions may execute if the Governor (i) considers in advance of execution (a) the institution's analysis of the relevant public benefit and risk of liability, (b) the Division's charge to be assessed against the institution for providing insurance or self-insurance coverage for the claims resulting from the indemnification agreement, and (c) the Office of the Attorney General's comments, and (ii) determines that execution is necessary to further the public's best interests. The indemnification agreement shall limit the institution's total liability to a stated dollar amount and shall notify the contractor that the full faith and credit of the Commonwealth are not pledged or committed to payment of the institution's obligation under the agreement;

2. Protection against tort liability and incidental medical payments arising out of the ownership, maintenance or use of buildings, grounds or properties owned or leased by the Commonwealth or used by state employees or other authorized persons in the course of their employment; and

3. For the payment of attorneys' fees and expenses incurred in defending such persons and entities concerning any claim that (i) arises from their governmental employment or authorization, that (ii) arises from their participation in such student disciplinary proceedings, or (iii) is described in any such indemnification agreement, where the Division is informed by the Attorney General's office that it will not provide a defense due to a conflict or other appropriate reason.

B. Any risk management plan established pursuant to this section shall provide for the establishment of a trust fund or contribution to the State Insurance Reserve Trust Fund for the payment of claims covered under the plan. The funds shall be invested as provided in § 2.2-1806 and interest shall be added to the fund as earned. The trust fund shall also provide for payment of administrative costs, contractual costs, and other expenses related to the administration of such plan.

C. The risk management plan for public liability shall be submitted to the Governor for approval prior to implementation.

D. The risk management plan established pursuant to this section shall provide protection against professional liability imposed by law for damages resulting from any claim made against a local electoral board, electoral board member or general registrar for acts or omissions of any nature while acting in an authorized governmental or proprietary capacity and in the course and scope of employment or authorization, subject to the limitations of the risk management plan.

E. The risk management plan established pursuant to this section shall provide protection against any claim made against any soil and water conservation district, director, officer, agent or employee thereof, (i) arising out of the ownership, maintenance or use of buildings, grounds or properties owned, leased or maintained by any such district or used by district employees or other authorized persons in the course of their employment, or (ii) arising out of acts or omissions of any nature while acting in an authorized governmental or proprietary capacity and in the course and scope of employment or authorization.

F. The risk management plan established pursuant to this section shall provide protection against professional liability imposed by law for damages resulting from any claim made against a local school board selection commission or local school board selection commission members for acts or omissions of any nature while acting in an authorized governmental or proprietary capacity and in the course and

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60 scope of authorization, subject to the limitations of the risk management plan.

61 G. The risk management plan established pursuant to this section shall provide coverage for any
62 matter that involves or could involve an action or proceeding against a judge, the nature of which is
63 designed to determine whether discipline or other sanction of the judge for malfeasance or misfeasance
64 is appropriate or to otherwise determine the fitness of the judge to hold office or to continue his
65 employment. No coverage or indemnification shall be made pursuant to this subsection when the
66 Supreme Court of Virginia finds that the judge should be censured or removed from office pursuant to
67 Section 10 of Article VI of the Constitution of Virginia or statutes enacted pursuant thereto.

68 H. *The risk management plan established pursuant to this section shall provide protection against*
69 *claims made against chaplains by persons incarcerated in a state correctional facility, a juvenile*
70 *correctional center, or a facility operated pursuant to the Corrections Private Management Act*
71 *(§ 53.1-261 et seq.) arising out of volunteer services provided by the chaplains to such incarcerated*
72 *persons. For the purposes of this subsection, chaplains shall include only those persons, who, at the*
73 *time any claim may arise, were acting pursuant to, and in compliance with, an agreement between the*
74 *chaplain or an organization to which the chaplain belongs, and the Department of Corrections, the*
75 *Department of Juvenile Justice, or an operator of a facility operated pursuant to the Corrections Private*
76 *Management Act. #*