

VIRGINIA ACTS OF ASSEMBLY -- 2003 SESSION

CHAPTER 566

An Act to amend and reenact § 15.2-2704 of the Code of Virginia, relating to local government group self-insurance pools; investment of assets.

[S 850]

Approved March 18, 2003

Be it enacted by the General Assembly of Virginia:

1. That § 15.2-2704 of the Code of Virginia is amended and reenacted as follows:

§ 15.2-2704. Powers of group self-insurance pool; self-insurer for motor vehicle security; surety.

A group self-insurance pool, for the purposes of carrying on the business of the group self-insurance pool whether or not a body corporate, shall have the power to sue and be sued, to make contracts, to hold and dispose of real and personal property, and to borrow money, contract debts, and pledge assets in the name of the group self-insurance pool. The assets of any group self-insurance pool established pursuant to this chapter shall be invested in those securities and investments permitted by regulation adopted by the State Corporation Commission for group self-insurance ~~workers' compensation plans pursuant to § 65.2-802~~ pools.

A group self-insurance pool shall be deemed a self-insurer for motor vehicle security under § 46.2-368. Members of the pool participating in the motor vehicle self-insurance provided by the pool shall be deemed to meet the requirements of security as required and an application for a certificate of self-insurance under § 46.2-368 shall not be required. Additionally, a group self-insurance pool shall not be subject to the provisions of § 38.2-2206 relating to uninsured motorist coverage unless it elects by resolution of its governing authority to provide such coverage to its pool members.

The provisions of any statute or charter requiring a public official to post bond or obtain a surety bond, the premium on which may lawfully be paid by a public agency of the Commonwealth, may be satisfied with surety or fidelity insurance coverage furnished by a group self-insurance pool organized under this chapter, including any deductible amount or other portion self-insured by the public agency itself.

The power to enter into intergovernmental contracts under § 15.2-2703 specifically includes the power to establish the pool as a separate legal or administrative entity for purposes of effectuating group self-insurance pool agreements.