

SECOND REGULAR SESSION

# HOUSE BILL NO. 1999

98TH GENERAL ASSEMBLY

---

INTRODUCED BY REPRESENTATIVE WHITE.

5630H.011

D. ADAM CRUMBLISS, Chief Clerk

---

## AN ACT

To repeal section 105.721, RSMo, and to enact in lieu thereof one new section relating to the state legal expense fund.

---

*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 105.721, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 105.721, to read as follows:

105.721. 1. The commissioner of administration may, in his discretion, direct that any or all of the moneys appropriated to the state legal expense fund be expended to procure one or more policies of insurance to insure against all or any portion of the potential liabilities of the state of Missouri or its agencies, officers, and employees.

2. [Until July 1, 1996, the commissioner of administration may procure one or more policies of insurance or reinsurance to insure against all potential losses from liabilities incurred by the state legal expense fund under paragraphs (d) and (e) of subdivision (3) of subsection 2 of section 105.711. On or before January 1, 1996, the commissioner of administration shall prepare and distribute a report regarding the cost effectiveness of insuring against potential losses to the state under paragraphs (d) and (e) of subdivision (3) of subsection 2 of section 105.711, by the direct purchase of an insurance policy or policies as compared to self-insuring against such losses through appropriations to the state legal expense fund under section 105.711. The report shall be submitted to the governor, the speaker of the house of representatives, the president pro tempore of the senate, and upon request to any member of the general assembly.

3.] After consultation with the state courts administrator, the commissioner of administration shall procure [such surety bonds as are required by statute and such surety bonds] **a blanket bond or crime insurance policy** as [he] **the commissioner** deems necessary to

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 protect the state against loss from the acts or omissions of any person within the judiciary that  
19 receives compensation from the state. No other bond for such person shall be required for the  
20 protection of the state. A copy of any bond or **crime insurance policy** procured pursuant to this  
21 section shall be filed with the secretary of state.

22 **3. The commissioner of administration may require a bond of any officer,**  
23 **employee, or agent of the state who has responsibility for or has access to any money or**  
24 **property belonging to the state or in which the state may have an interest and who is not**  
25 **otherwise required by law to give a bond. The amounts of the bonds shall be fixed by the**  
26 **commissioner of administration.**

27 **4. Notwithstanding any other provision of the law to the contrary, in lieu of**  
28 **individual bonds, the commissioner of administration may elect to procure one or more**  
29 **blanket bonds, or suitable crime insurance policies endorsed to include faithful**  
30 **performance, or may elect to assume the risk for any or all officers and employees of the**  
31 **state. Any blanket bond or crime insurance policy procured shall contain such coverages,**  
32 **terms, and conditions, and shall contain such coverage limits and deductibles as the**  
33 **commissioner of administration deems adequate to protect the interests of the state but not**  
34 **less than the aggregate coverage limits otherwise prescribed by law. Procurement of a**  
35 **blanket bond, crime insurance policy, or creation of a self-assumption program shall**  
36 **constitute compliance with any statute requiring any officer or employee of the state to be**  
37 **bonded. Notwithstanding any other provision of the law to the contrary, the costs of any**  
38 **blanket bond, crime insurance policy, or self-assumption program authorized by this**  
39 **section shall be paid from the state legal expense fund.**

✓