

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 702

Short Title: Director and Officer Insurance for Treasurer. (Public)

Sponsors: Senator Meredith.

Referred to: Insurance.

April 20, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW THE STATE TREASURER TO PURCHASE LIABILITY
3 INSURANCE.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Article 6 of Chapter 147 of the General Statutes is amended by
6 adding a new section to read:

7 "**§ 147-69.3A. Liability insurance for State Treasurer.**

8 (a) The State Treasurer may purchase commercial insurance of any kind to cover all
9 risks or potential liability of the State Treasurer, boards in the Department of the State
10 Treasurer, and employees and agents of the State Treasurer, including the risks and potential
11 liability related to investments managed by the State Treasurer.

12 (b) Board members and employees of boards in the Department of the State Treasurer
13 shall be considered State employees for purposes of Articles 31 and 31A of Chapter 143 of the
14 General Statutes. To the extent that the State Treasurer purchases commercial liability
15 insurance coverage in excess of one hundred fifty thousand dollars (\$150,000) per claim for
16 liability arising under Article 31 or 31A of Chapter 143 of the General Statutes, the provisions
17 of G.S. 143-299.4 shall not apply. To the extent that the State Treasurer purchases commercial
18 insurance coverage for liability arising under Article 31 or 31A of Chapter 143 of the General
19 Statutes, the provisions of G.S. 143-300.6(c) shall not apply.

20 (c) The purchase of insurance by the State Treasurer under this section shall not be
21 construed to waive sovereign immunity or any other defense available to the State Treasurer,
22 boards in the Department of State Treasurer, or employees or agents of the State Treasurer in
23 an action or contested matter in any court, agency, or tribunal. The purchase of insurance by the
24 State Treasurer shall not be construed to alter or expand the limitations on claims or payments
25 established in G.S. 143-299.2 or limit the right of the State Treasurer, board members,
26 employees, or agents to defense by the State as provided by G.S. 143-300.3."

27 **SECTION 2.** This act is effective when it becomes law.

