COMMERCIAL INSURANCE PLANS

The District may procure contracts with any insurance company authorized to do business in Texas to insure its employees. Policies may include group health, accident, accidental death and dismemberment, disability income replacement, and hospital, surgical, and/or medical expense insurance, or a group contract providing for annuities. Dependents of employees may be insured under group policies which provide hospital, surgical, and/or medical expense insurance. *Insurance Code 3.51*

EXCEPTION

A district that participates in the uniform group coverage program established under Insurance Code Article 3.50-7 may not procure or renew commercial health insurance coverage after the uniform group coverage is implemented in the District. *Insurance Code 3.51(b)* [See CRD]

PREMIUM PAYMENTS

Any portion of the commercial insurance premiums paid by the District shall be from local, not state, funds. *Insurance Code 3.51(b)*

The District may deduct from an employee's salary the employee's contribution for the premiums if authorized to do so in writing by that employee. *Insurance Code 1131.303(c)*

SELF-INSURANCE BONDS

The District may issue bonds, certificates, notes, and other obligations, the proceeds of which shall be used for all or any portion of a self-insurance fund to protect the District and its officers, employees, and agents from any insurable risk or hazard, or use any funds or money available to the District for the self-insurance fund. If the District desires to issue bonds payable from ad valorem taxes for this purpose, it shall comply with the requirements of Education Code 45.003. *Gov't Code 2259.031*

DESIGNATED BROKER OF RECORD

The District may not use a designated broker of record to purchase insurance contracts with premiums of an aggregate value of $10,000 or more for each 12-month period. If the District expends less than $10,000, in the aggregate, on insurance premiums for each 12-month period, the District may use a designated broker of record to purchase insurance contracts, but the Board shall ensure that the use of a designated broker of record is in the District's best interest and select a designated broker of record in a manner it determines is consistent with good business management. *Atty. Gen. Op. JC-0205 (2000)*

RISK-RETENTION GROUPS

The District may become a member of a risk retention group or purchasing group created under the Federal Liability Risk Retention Act of 1986 for the purpose of obtaining insurance against any insurable risk. *Gov't Code 2259.061*