

164.2871 Liability insurance for governing board members, faculty, and staff -- Retirement annuity allowances exemption -- Taxability after December 31, 1997 -- Purchase of insurance not waiver of immunity --Self-insured employer group health plan.

- (1) The governing board of each state postsecondary educational institution is authorized to purchase liability insurance for the protection of the individual members of the governing board, faculty, and staff of such institutions from liability for acts and omissions committed in the course and scope of the individual's employment or service. Each institution may purchase the type and amount of liability coverage deemed to best serve the interest of such institution.
- (2) All retirement annuity allowances accrued or accruing to any employee of a state postsecondary educational institution through a retirement program sponsored by the state postsecondary educational institution are hereby exempt from any state, county, or municipal tax, and shall not be subject to execution, attachment, garnishment, or any other process whatsoever, nor shall any assignment thereof be enforceable in any court. Except retirement benefits accrued or accruing to any employee of a state postsecondary educational institution through a retirement program sponsored by the state postsecondary educational institution on or after January 1, 1998, shall be subject to the tax imposed by KRS 141.020, to the extent provided in KRS 141.010 and 141.0215.
- (3) Except as provided in KRS Chapter 44, the purchase of liability insurance for members of governing boards, faculty and staff of institutions of higher education in this state shall not be construed to be a waiver of sovereign immunity or any other immunity or privilege.
- (4) The governing board of each state postsecondary education institution is authorized to provide a self-insured employer group health plan to its employees, which plan shall conform to the requirements of subtitle 32 of KRS Chapter 304 and shall be exempt from conformity with subtitle 17A of KRS Chapter 304.

Effective: May 30, 1997

History: Amended 1997 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 91, effective May 30, 1997. -- Amended 1995 (2d Extra. Sess.) Ky. Acts ch. 1, sec. 7, effective April 28, 1995. -- Amended 1988 Ky. Acts ch. 282, sec. 7, effective July 15, 1988. -- Amended 1986 Ky. Acts ch. 235, sec. 1, effective July 15, 1986. -- Created 1978 Ky. Acts ch. 347, sec. 1, effective June 17, 1978.