

GENERAL ASSEMBLY OF NORTH CAROLINA
1985 SESSION

CHAPTER 527
SENATE BILL 742

AN ACT TO CLARIFY SCHOOL BOARD LIABILITY INSURANCE COVERAGE.

The General Assembly of North Carolina enacts:

Section 1. The second paragraph of G.S. 115C-42 is rewritten as follows:

"Any contract of insurance purchased pursuant to this section shall be issued by a company or corporation duly licensed and authorized to execute insurance contracts in this State or by a qualified insurer as determined by the Department of Insurance and shall by its terms adequately insure the local board of education against liability for damages by reason of death or injury to person or property proximately caused by the negligent act or torts of the agents and employees of said board of education or the agents and employees of a particular school in a local administrative unit when acting within the scope of their authority. The local board of education shall determine what liabilities and what officers, agents and employees shall be covered by any insurance purchased pursuant to this section. Any company or corporation which enters into a contract of insurance as above described with a local board of education, by such act waives any defense based upon the governmental immunity of such local board of education."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 1st day of July, 1985.