

LIVINGSTON CITY COMMISSION ADDENDUM #2

REGULAR MEETING 04.05.2022

ADDENDUM TO ACTION ITEMS

E. DISCUSS: NOTICE FROM MMIA REGARDING DISCONTINUATION OF
INSURANCE COVERAGE FOR LIVINGSTON CITY COUNTY LIBRARY.



MEMORANDUM

TO: Lisa Lowy
City of Livingston

FROM: Alan Hulse, CEO

DATE: March 30, 2022

RE: Coverage Changes affecting Libraries and Library Boards

In Montana, there are various types of public library formations including: city libraries, county libraries, city-county libraries, library districts, and multi-jurisdictional libraries. It has recently come to the MMIA's attention that regardless of a public library's formation, the employees may not be employees of the city/town, but rather employees of the library board. That nuance poses a coverage challenge in workers' compensation and employee benefits as employers cannot insure the employees of another employer. It also poses a coverage challenge in liability as the city/town may not have oversight of employment related matters such as the hiring process, disciplinary process, harassment prevention, workplace safety, etc. From a risk management perspective, insuring something you can't control is not advisable.

In response to these coverage issues, **effective 7/1/2022 the MMIA is excluding coverage for libraries and library boards in the liability, workers' compensation, and employee benefits programs.** However, the MMIA and its board of directors understand the importance of providing these coverages to cities and towns and their respective libraries. As a result, the MMIA has established a process for those member-owners and libraries that desire to have these coverages with MMIA to obtain coverage through an endorsement by meeting specific underwriting criteria.

The underwriting criteria includes but is not limited to:

- Library staff must be employees of the city/town.
- Library must adopt and adhere to city/town personnel policies.
- Library agreement must allow input and authority by city/town for personnel decisions such as hiring, termination, discipline, grievances, ADA, harassment prevention, and safety.
- Agreement between the city/town and library must incorporate the items above.

It's important for cities/towns that desire to obtain coverage for their library through MMIA to work with their city/town attorney to meet the underwriting criteria. **MMIA must receive notice of intent to obtain or reject coverage for libraries from each city/town by close of business on 05/16/2022** on the enclosed form. If no response is received by that date, MMIA will assume coverage is not being sought.

Those cities/towns and libraries that do not desire to maintain coverage for the library with MMIA will need to secure other coverage for liability, workers' compensation, and employee benefits as of 07/01/2022.

For questions or concerns regarding your coverage, please do not hesitate to call me at 406-495-7014.



MONTANA MUNICIPAL INTERLOCAL AUTHORITY NOTICE OF INTENT FOR PUBLIC LIBRARY COVERAGE

Member:	City of Livingston
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Effective 07/01/2022, libraries and library boards are excluded from coverage for liability, workers' compensation, and employee benefits in the MMIA programs. However, the MMIA and its board of directors understand the importance of providing these coverages to cities and towns and their respective libraries. As a result, the MMIA has established a process for those member-owners and libraries that desire to have these coverages with MMIA to obtain coverage through an endorsement by meeting specific underwriting criteria.

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Please indicate below whether City of Livingston intends to seek coverage for the public library through endorsement, and return this form to Britani Laughery at blaughery@mmia.net or via fax to Britani's attention at 406-449-7440 no later than close of business on **05/16/2022**. If no response is received by that date, MMIA will assume coverage is not being sought.

For questions, please contact Alan Hulse at 406-495-7014 or Britani Laughery at 406-495-7004.

Yes, City of Livingston intends to seek coverage for the public library through endorsement.

Authorized Representative (Print Name)

Signature

Date

No, City of Livingston does not intend to seek coverage for the public library through endorsement.

Authorized Representative (Print Name)

Signature

Date