

(Use this form to file a local law with the Secretary of State.)

Text of law should be given as amended. Do not include matter being eliminated and do not use italics or underlining to indicate new matter.

County
~~CITY~~ of Niagara
~~TOWN~~
~~VILLAGE~~

Local Law No. 4 of the year 20⁰¹

A local law Amending Section 5, "Withdrawal," of the Niagara County Mutual
(Insert Title)
Self-Insurance Plan Provisions

Be it enacted by the Legislature of the
(Name of Legislative Body)

County
~~CITY~~ of Niagara as follows:
~~TOWN~~
~~VILLAGE~~

**A LOCAL LAW AMENDING SECTION 5, "WITHDRAWAL," OF THE
NIAGARA COUNTY MUTUAL SELF-INSURANCE PLAN PROVISIONS**

Section 5. WITHDRAWAL: Withdrawal from the Niagara County Municipal Self-Insurance Plan (hereinafter "MUSIP") by a participant may be effected by filing on or before the 1st day of October in any year, with the Chairman of the Human Resources Committee of the Niagara County Legislature and the Clerk of the Legislature, a certified copy of a resolution from its governing body electing to withdraw from the Plan at the end of the operating, current calendar year. Upon withdrawal, the withdrawing entity shall pay for its equitable share of the total outstanding liabilities of the Plan in either of the following two (2) manners:

A. In a lump sum, within two months from the effective date of withdrawal, an equitable share of the total, outstanding liabilities of the Niagara County MUSIP calculated as of the effective date of withdrawal. If the withdrawal fee is not totally paid within the time limit specified above, a penalty of one percent (1%) of the principal amount due shall be collected for each delinquent month or part of a month after the due date (March 1) thereof.

The withdrawing entity's pro-rata share of the total, outstanding liabilities of the Niagara County MUSIP shall be based entirely (100%) on the loss percentile experience of the withdrawing entity, said loss percentile to be calculated on the basis of the paid and unpaid

(If additional space is needed, attach pages the same size as this sheet, and number each.)

losses of the withdrawing entity in relation to the paid and the unpaid losses for the entire Niagara County MUSIP for the three (3) preceding years immediately prior to the year in which the withdrawal notice is filed; or

B. By the withdrawing participant entering into an agreement with the Niagara County MUSIP, subject to the approval of the New York State Worker's Compensation Board, (authorized by Resolution adopted by majority vote of the withdrawing participant and Resolution adopted by majority vote of the Niagara County Legislature) upon the following terms and conditions:

1. The withdrawing participant must provide proof to the Niagara County MUSIP that it has become a "stand alone" municipal self-insurer as that term is defined and described under Article 4, Section 50 and all other pertinent statutory provisions of the Worker's Compensation Law of the State of New York with respect to all claims. In the event such withdrawing participant, with respect to all claims, has retained a third party administrator to handle all of its claims, then proof shall be provided to the Niagara County MUSIP that the third party administrator is licensed pursuant to the Worker's Compensation Board to represent the withdrawing participant as a self-insured employer pursuant to the Worker's Compensation Law. In addition, the withdrawing participant shall provide the Niagara County MUSIP with a copy of the filing of its Notice of Election to be a self-insurer as may be necessary pursuant to the Worker's Compensation Law and all approvals obtained from the New York State Worker's Compensation Board pursuant to Article 4, Section 50 and all other pertinent provisions of the New York State Worker's Compensation Law which permits such withdrawing participant to be a "stand alone" municipal self-insurer.

2. The withdrawing participant shall make written request to the Niagara County MUSIP that the Niagara County MUSIP turn over to it all of its open claims or to its designated third party administrator. Such claims shall include all claims incurred and reported or unreported of the withdrawing participant. If such withdrawing participants is a "Town," then said open claims shall also include all incurred and reported or unreported claims of any Volunteer Fire Companies within its jurisdiction. The Niagara County MUSIP, upon receiving written notice from the withdrawing participant to turn over the open claims to such withdrawing participant or its designated third-part administrator pursuant to an executed Agreement (authorized by Resolution adopted by majority vote of the withdrawing participant and Resolution adopted by majority vote of the Niagara County Legislature):

(a) Shall file a Notice of Termination with the Worker's Compensation Board that the withdrawing participant's participation in the Niagara County MUSIP has been terminated;

(b) Shall turn over to the withdrawing participant or its third party administrator the open claims together with all files, papers and other documents relating to the same, including files, if any, maintained by other departments of the County of Niagara and attorneys retained by the County of Niagara to handle

the open claims provided that a representative of the withdrawing participant or its third party administrator an acknowledgment of a list of all open claims and files turned over; and

(c) May at its option or at any time it deems appropriate, after the time the open claims are delivered to the withdrawing participant or its third party administrator, send letters to any of the persons identified in paragraph 3 or other person seeking payment, involved or making inquiry with regard to the open claims for the purpose of advising that the withdrawing participant and its third party administrator, as the administrator are now handling all said claims. In addition, should the County of Niagara receive any bills, correspondence or any other communications concerning any Worker's Compensation claim that has been turned over to such withdrawing participant or its third party administrator, the same shall be forwarded to such withdrawing participant or its third party administrator.

At the time the open claims are turned over, a representative of the withdrawing participant or its third party administrator shall execute an acknowledgement of receipt of the open claims.

3. Within ten (10) days of the time the open claims are turned over to the withdrawing participant or its third party administrator, the withdrawing participant shall notify: (i) employees of the withdrawing participant who have made open claims, which are the subject of the agreement; (ii) attorney's representing such employees and other lay representatives who are appropriately licensed to represent claimants; (iii) primary and treating physicians and others providing medical assistance to said employees; as well as (iv) those other vendors who have a reasonable need for this information, for example, pharmacist providing prescriptions under contract with regard to the open claims, advising them that:

(a) The withdrawing participant has become the municipal self-insurer for the withdrawing participant's open claims;

(b) Identify the responsible third party administrator; and

(c) The County of Niagara has no further responsibility for handling or making payments with regard to the open claims together with such information that the withdrawing participant deems appropriate. The purpose of this notice shall be to advise the interested parties to constitute an agreement to pay any disputed claim or be an authorization for any treatment or service. The Administrator for the Niagara County MUSIP shall be copied on all correspondence providing the notices required herein.

The Niagara County MUSIP, upon receiving written notice from the withdrawing participant to turn over the open claims to such withdrawing participant or its designated third-part administrator pursuant to an executed Agreement (authorized by Resolution adopted by majority vote of the withdrawing participant and Resolution adopted by majority vote of the Niagara County Legislature):

4. It shall be understood and agreed that at such time as the Niagara County MUSIP turns over all the open claims to the withdrawing participant or its third party administrator, in accordance with the terms hereof, the County of Niagara, the Niagara County MUSIP and/or the administrator or any other officers or employees of the County shall have no further liability or responsibility to administer the open claims or any other Worker's Compensation claims of the withdrawing participant and/or to otherwise handle, process, pay, supervise, or otherwise manage the withdrawing participant's open claims.

5. The withdrawing participant, on behalf of itself, its officers, employees, agents, other representatives, successors and assigns and any other claiming by, through or under it shall unconditionally waive, release, acquit and discharge the County of Niagara, the Niagara County MUSIP, the Administrator of the Niagara County MUSIP, County of Niagara officers and employees, their agents, and attorney's, and any other representative of Niagara County from and against all claims, losses, costs and expenses, and liabilities, direct or indirect, arising from or otherwise relating to the handling, processing, administration, paying, or otherwise management of claims once the same are turned over to the withdrawing participant.

In addition, the withdrawing participant shall defend, indemnify and hold harmless, the County of Niagara and the Niagara County MUSIP from and against all claims, losses, costs and expenses, and liabilities (including without limitation attorney's fees) arising out of or otherwise resulting from:

(a) liability for compensation owed on any claims which were previously processed and closed by the Niagara County MUSIP, any open claims and all of those claims which have been incurred but not reported (IBNR);

(b) any and all costs of administration, management, handling, processing, or any other cost of whatsoever kind and nature, attributes to the claims, including, but not limited to, assessments which have been incurred but not yet charged by the New York State Worker's Compensation Board;

(c) any act or omission by the withdrawing participant or its third party administrator with regard to the Administration of the claim;

(d) Any breach or other default on the part of the withdrawing participant or any other person or entity for whom the withdrawing participant is responsible in connection with said Agreement;

(e) Failure or refusal to pay any amounts that may become due or are determined by a government agency or court to be due and payable with regard to any of the claims.

6. Should the withdrawing participant fail to pay any claims or any other amount as required by such Agreement, and should the County of Niagara be required to pay such amount, then the County of Niagara shall become immediately entitled to payment of such amount, together with any and all costs incurred in the collection of such amounts. In the event that any amount is not paid by the withdrawing participant within ten (10) days of being notified thereof by the County of Niagara, then a one and one-half percent (1½%) penalty shall also become due and owing on such amount. A penalty of one and one-half percent (1½%) per month of the principal amount due shall be owed by the withdrawing participant for each delinquent month or part of a month after the due date thereof. If any amount, including such penalty amount, shall not be paid within the time limit, the same shall be recovered by an action brought by the County of Niagara or such amount shall be certified by the Niagara County Treasurer to the Niagara County Legislature for inclusion in the next succeeding tax levy against property taxable by the withdrawing participant.

In the event that such withdrawing participant is not subject to a tax levy by Niagara County; then, as a condition of withdrawal, the withdrawing participant may be required to provide a letter of credit to insure payment for all of its claims upon such terms and conditions as shall be agreed upon between the withdrawing participant and Niagara County.

7. The withdrawing participant shall further agree, to pay to the Niagara County MUSIP any and all amounts for claims, administrative and other costs and expenses paid or incurred in the handling and/or administering of the withdrawing participant's Worker's Compensation claims for all periods prior to entering into said agreement and all additional claims from the date of said agreement to the time the same are turned over to the withdrawing participant, together with all assessments from the Worker's Compensation Board for assessments charged in subsequent years for indemnification payments made by the Niagara County MUSIP for claims of the withdrawing participant.

(Complete the certification in the paragraph that applies to the filing of this local law and strike out that which is not applicable.)

1. (Final adoption by local legislative body only.)

I hereby certify that the local law annexed hereto, designated as local law No. _____⁴_____ of 20⁰¹____ of the (County)(~~City~~)(~~Town~~)(~~Village~~) of _____^{Niagara}_____ was duly passed by the _____^{Niagara County Legislature} on _____^{June 19}_____ 20⁰¹____, in accordance with the applicable provisions of law.
(Name of Legislative Body)

2. (Passage by local legislative body with approval, no disapproval or repassage after disapproval by the Elective Chief Executive Officer*.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20____, and was (approved)(not approved)(repassed after
(Name of Legislative Body)
disapproval) by the _____ and was deemed duly adopted on _____ 20____,
(Elective Chief Executive Officer)*
in accordance with the applicable provisions of law.

3. (Final adoption by referendum.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20____, and was (approved)(not approved)(repassed after
(Name of Legislative Body)
disapproval) by the _____ on _____ 20____. Such local law was submitted
(Elective Chief Executive Officer)*
to the people by reason of a (mandatory)(permissive) referendum, and received the affirmative vote of a majority of the qualified electors voting thereon at the (general)(special)(annual) election held on _____ 20____, in accordance with the applicable provisions of law.

4. (Subject to permissive referendum and final adoption because no valid petition was filed requesting referendum.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20____, and was (approved)(not approved)(repassed after
(Name of Legislative Body)
disapproval) by the _____ on _____ 20____. Such local law was subject to
(Elective Chief Executive Officer)*
permissive referendum and no valid petition requesting such referendum was filed as of _____ 20____, in accordance with the applicable provisions of law.

* Elective Chief Executive Officer means or includes the chief executive officer of a county elected on a county-wide basis or, if there be none, the chairperson of the county legislative body, the mayor of a city or village, or the supervisor of a town where such officer is vested with the power to approve or veto local laws or ordinances.

5. (City local law concerning Charter revision proposed by petition.)

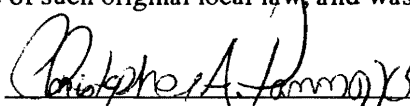
I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20_____ of the City of _____ having been submitted to referendum pursuant to the provisions of section (36)(37) of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of such city voting thereon at the (special)(general) election held on _____ 20____, became operative.

6. (County local law concerning adoption of Charter.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20_____ of the County of _____ State of New York, having been submitted to the electors at the General Election of November _____ 20____, pursuant to subdivisions 5 and 7 of section 33 of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of the cities of said county as a unit and a majority of the qualified electors of the towns of said county considered as a unit voting at said general election, became operative.

(If any other authorized form of final adoption has been followed, please provide an appropriate certification.)

I further certify that I have compared the preceding local law with the original on file in this office and that the same is a correct transcript therefrom and of the whole of such original local law, and was finally adopted in the manner indicated in paragraph-----1-----, above.



Clerk of the County legislative body, City, Town or Village Clerk
or officer designated by local legislative body

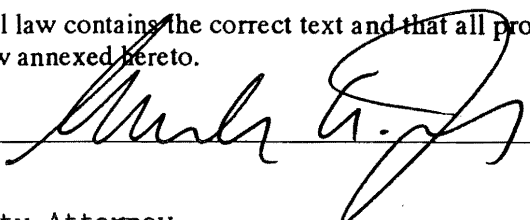
(Seal)

Date: 6/21/2001

(Certification to be executed by County Attorney, Corporation Counsel, Town Attorney, Village Attorney or other authorized attorney of locality.)

STATE OF NEW YORK
COUNTY OF Niagara

I, the undersigned, hereby certify that the foregoing local law contains the correct text and that all proper proceedings have been had or taken for the enactment of the local law annexed hereto.



Signature

County Attorney

Title

County
~~CITY~~ of Niagara
~~TOWN~~
~~VILLAGE~~

Date: June 20, 2001