

**304.41-030 Joint Underwriting Association -- Categories covered -- Termination -- Powers of association.**

- (1) A temporary Joint Underwriting Association is created, consisting of all insurers authorized to write and engage in writing in the Commonwealth on a direct basis the following lines of insurance, as reported in the companies' annual statements:
  - (a) Workers' compensation;
  - (b) Liability other than auto;
  - (c) Private passenger auto liability;
  - (d) Commercial auto liability; and
  - (e) The liability portion of commercial multi-peril policies.

Every such insurer shall remain a member of the Joint Underwriting Association as a condition of its authority to continue to transact such kinds of insurance in the Commonwealth.

- (2) The implementation of the operation of the Joint Underwriting Association shall become effective upon the order of the commissioner. The commissioner shall not order the association to commence underwriting operations until the commissioner, after due hearing and investigation, has determined that legal professional liability insurance cannot be made available in the voluntary market. The Joint Underwriting Association shall remain in effect for a period of no longer than two and one-half (2 1/2) years from the date that it commences underwriting operations.

This subtitle shall not preclude any attorney at law from procuring legal professional liability insurance from the voluntary market.

If the commissioner determines at any time that legal professional liability insurance is readily available in the voluntary market, the association shall thereby cease its underwriting operations.

- (3) The association shall, pursuant to the provisions of this subtitle and the plan of operation with respect to legal professional liability insurance, have the power on behalf of its members:
  - (a) To issue, or to cause to be issued, policies of insurance to applicants, including incidental coverages and subject to limitations as specified in the plan of operation, but not to exceed five hundred thousand dollars (\$500,000) for each claimant under one (1) policy and one million dollars (\$1,000,000) for all claimants under one (1) policy in any one (1) year;
  - (b) To underwrite such insurance and to adjust and pay losses with respect thereto, or to appoint service companies to perform those functions;
  - (c) To assume reinsurance from its members;
  - (d) To cede reinsurance; and
  - (e) To negotiate and obtain in the voluntary market legal professional liability insurance with limits in excess of the foregoing limits for any attorney-at-law to whom the association has issued or caused to be issued a policy of legal professional liability insurance.

**Effective:** July 15, 2010

**History:** Amended 2010 Ky. Acts ch. 24, sec. 1549, effective July 15, 2010. -- Created 1978 Ky. Acts ch. 365, sec. 3, effective June 17, 1978.