Municipalities, insurance benefits

Number: INFORMAL

Date: June 13, 2006

Ms. Sonja K. Dickens
Miami Gardens City Attorney
200 East Las Olas Boulevard, Suite 1700
Fort Lauderdale, Florida 33301-2240

Dear Ms. Dickens:

You ask whether the City of Miami Gardens may provide insurance benefits to the mayor and members of the city council.

Section 112.08(2)(a), Florida Statutes, provides in part:

"Notwithstanding any general law or special act to the contrary, every local governmental unit is authorized to provide and pay out of its available funds for all or part of the premium for life, health, accident, hospitalization, legal expense, or annuity insurance, or all or any kinds of such insurance, for the officers and employees of the local governmental unit and for health, accident, hospitalization, and legal expense insurance for the dependents of such officers and employees upon a group insurance plan and, to that end, to enter into contracts with insurance companies or professional administrators to provide such insurance."

A governmental unit may also self-insure to provide any plan for health, accident, and hospitalization coverage or enter into a risk management consortium to provide such coverage. Section 112.08(1), Florida Statutes, defines "local governmental unit" to mean, among others, a municipality.

Clearly then municipalities are authorized by state law to provide life, health, accident, hospitalization, legal expense or annuity insurance to its officers and employees. As this office stated in Attorney General Opinion 04-17, this office is not aware of any prohibition in the state statute that would limit a city's authority to provide health insurance coverage to the members of its governing body. While section 112.08, Florida Statutes, authorizes a municipality to provide and pay all or part of the premium for legal expense insurance coverage, the determination as to whether the city should provide such coverage to public officials as part of the officials' compensation is one the city's governing body must make.[1]

While state law permits a municipality to provide certain types of insurance to the mayor and members of the city council, your inquiry concerns the interpretation of your city charter and whether section 2.6 of the charter permits the city to provide such benefits to the city council members. While this office has previously discussed the general interpretation of the term "compensation" as including benefits such as insurance,[2] the determination of the meaning of the term "compensation" in the city charter is one that the city must make. As this office noted in Attorney General Opinion 04-17, opinions generally are not issued on questions requiring an

interpretation only of local charters rather than the provisions of state law but are instead referred to the attorney for the local government in question.

Accordingly, while this office recognizes that section 112.08, Florida Statutes, authorizes but does not require, municipalities to provide insurance benefits to its officers, this office must defer to the city attorney regarding the interpretation of the city charter.

Thank you for contacting the Florida Attorney General's Office.

Sincerely,

Joslyn Wilson
Assistant Attorney General

JW/tfl

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[1] See Op. Att'y Gen, Fla. 91-58 (1991).

[2] *See* Ops. Att'y Gen. Fla. 04-17 (2004), 92-30 (1992), and 71-121 (1971). *Cf.* s. 145.131(3), Fla. Stat., providing that payment of insurance for county officials and employees shall not be considered additional compensation.