



Ninety-Ninth Legislature - Second Session - 2006
Committee Statement
LB 1158

Hearing Date: February 13, 2006
Committee On: Business and Labor

Introducer(s): (Business and Labor Committee: Cunningham, Chairperson; Burling, Combs, Kremer, Preister, Schimek, and Wehrbein)
Title: Change provisions relating to the Risk Manager, the State Claims Board, and claim procedure

Roll Call Vote – Final Committee Action:

- Advanced to General File
 - Advanced to General File with Amendments
 - X Indefinitely Postponed
-

Vote Results:

6	Yes	Senators Cunningham, Combs, Chambers, Preister, Kremer and Burling
0	No	
1	Present, not voting	Senator Schimek
0	Absent	

Proponents:
Grace Honeywell
Laura Peterson

Representing:
Introducer
DAS

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes: This bill was introduced in response to recommendations submitted during testimony before the joint committee hearing for Interim Resolution 173. The Risk Manager does not currently have the authority to make a determination under the State Tort Claims Act or the State Miscellaneous Claims Act. But, under the State Miscellaneous Claims Act, if the head of the agency agrees with the claimant and has the funds to pay the claim, the Risk Manager may direct payment by the state agency involved in any claim up to two thousand dollars.

LB 1158 would confer authority in the Risk Manager to make determinations for those claims under the State Tort Claims Act and the State Miscellaneous Claims Act in an amount up to five thousand dollars.

Bill Description:

Section 1: amends 81-8,210 to provide that the Risk Manager shall mean the Risk Manager appointed under section 81-8,239.01.

Section 2: amends 81-8,239.01 to confer authority upon the Risk Manager, in addition to the State Claims Board, to consider, ascertain, adjust, compromise, settle, determine, and allow any tort claim in an amount up to five thousand dollars. Any tort claim currently over five thousand dollars requires the unanimous approval of all board members. Under this bill, unanimous approval would not be required until the amount of the claim exceeds ten thousand dollars. Any claim more than twenty-five thousand dollars must still be submitted to the Lancaster District Court for approval. If the Risk Manager makes the determination in a claim up to five thousand dollars, the claimant that is dissatisfied with the decision would have sixty days to file for a review with the State Claims Board.

Section 3: amends 81-8,212 to provide that if the Risk Manager is now able to make a determination of a claim under the Tort Claims Act, then the Attorney General also acts as legal advisor to the Risk Manager in addition to the State Claims Board.

Section 4: amends 81-8,213 to provide that either the Risk Manager or the State Claims Board must make a final disposition of a claim under the State Tort Claims Act before the claimant can file a suit. But, if neither the Risk Manager nor the Claims Board makes a final disposition within six months after the claim is filed with the board, the claimant may after giving notice withdraw the claim and file such suit.

Section 5: amends 81-8,224 to confer authority on the Risk Manager in addition to the State Claims Board to certify to the Director of Administrative Services any award to a claimant under the State Tort Claims Act for payment of such award or judgment.

Section 6: amends 81-8,228 to provide that if the Risk Manager, in addition to the State Claims Board, makes an award under section 81-8,211, reasonable attorney's fees and expenses shall be allowed.

Section 7: amends 81-8,239.01 to provide for minimum qualifications for the position of Risk Manager. Such qualifications may include the successful completion of a four-year program at an accredited college or university and at least three years of relevant experience.

Section 8: amends 81-8,294 to incorporate section 9 in this bill to the State Miscellaneous Claims Act.

Section 9: is a new provision that provides for a statute of limitations under the State Miscellaneous Claims Act. Every claim under the Miscellaneous Claims Act shall be brought within two years after the time at which the claim accrued, or shall forever be barred.

Section 10: amends 81-8,300 to confer authority on the Risk Manager in addition to the State Claims Board to approve, approve with conditions or limitations, or disapprove the claim up to

five thousand dollars. If the Risk Manager makes such determination, any claimant dissatisfied with the decision may have the claim reviewed by the State Claims Board. If the head of an agency agrees with the claimant, the Risk Manager may direct the payment of such claim up to five thousand dollars, which is an increase of three thousand dollars. Additionally, this bill increases the amount the State Claims Board may direct payment by the state agency involved in a claim from ten thousand dollars to fifty thousand dollars.

Explanation of amendments, if any:

Senator Douglas Cunningham, Chairperson