

ONE HUNDRED EIGHTH LEGISLATURE - SECOND SESSION - 2024
COMMITTEE STATEMENT
LB1188

Hearing Date: Monday February 12, 2024
Committee On: Business and Labor
Introducer: Riepe
One Liner: Provide for payment of claims against the state

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 7 Senators Blood, Halloran, Hansen, Hunt, Ibach, McKinney, Riepe
Nay:
Absent:
Present Not Voting:

Testimony:

Proponents:

Senator Merv Riepe
Adam Kauffman

Phoebe Lurz
Lily Kathee
Regina Shields
Anna Koeneke
Michael Greenlee
John Albin

Opponents:

Neutral:

Representing:

Opening Presenter
Department of Administrative Services- Risk
Manager
Attorney General's Office
Nebraska Department of Transportation
State Fire Marshal Agency
Nebraska Department of Veterans Affairs
Nebraska Department of Health and Human Services
Nebraska Department of Labor

Representing:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 1188 is introduced by the Chair of the Business and Labor Committee at the request of the Department of Administrative Services, Risk Management Division. This bill introduces the claims against the State that are required by statute to be reviewed by the Legislature. The State Risk Manager has submitted tort and workers' compensation claims against the State and certain write-offs for the Legislature's review and the appropriation of funds.

The legislature created the State Tort Claims Act and State Claims Board to provide uniform procedures for filing claims against the State and/or employees of the State.



Tort, indemnification, contract and other similar miscellaneous claims up to \$5,000 can be approved by the Nebraska Office of Risk Management by the State Risk Manager.

The State Claims Board has the authority to approve, deny, and adjust claims between \$5,000.01 and \$50,000.00. Claims higher than \$50,000 must be approved by the legislature.

Workers' compensation settlements higher than \$100,000 must be approved by the legislature.

Agency write-off requests for uncollectible debts are approved by the State Claims Board and then must be approved by the legislature.

Section 1: A settled indemnification claim for \$100,000 requiring approval by the legislature for full payment.

Section 2: Two settled workers' compensation claims, one for \$15,000 and the other for \$210,000, requiring approval by the legislature for full payment.

Section 3: Authorizes the Director of Administrative Services to pay state claims from the appropriate funds out of the state treasury.

Section 4: The following are the Agency write-off requests in this section, reviewed and approved by the State Claims Board, requiring approval by the legislature for payment:

- \$201,117.22 made by the Department of Transportation
- \$8,829.58 made by the Department of Veterans' Affairs
- \$1,495,029.34 made by the Department of Health and Human Services
- \$1,690.00 made by the State Fire Marshal
- \$931,307.28 made by the Department of Labor
- \$1,017,071.36 made by the Department of Labor.

Explanation of amendments:

AM 2186 amends LB 1188 by replacing section 2 which removes the \$15,000 workers compensation claim, breaks down the other \$210,000 workers' compensation claim, with \$70,000 to a law firm and \$170,000 to a soon to be named "annuity provider". The section also includes an additional \$350,000 workers compensation claim from Department of Correctional Services.

Merv Riepe, Chairperson

