

May 9, 1991

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SENATOR WESELY: Example number three, you have a greater exposure. Example number four you have complete exposure.

SENATOR LANDIS: Right.

SENATOR WESELY: The question I have is how do you distinguish between those examples what entities are able to do which of these types of self-funding schemes?

SENATOR LANDIS: What you point out as example four on the sheet that's been put out is available to one and only one public employer and that's the City of Omaha, whose tax base, whose pool of employees and whose experience at doing this, by the way, for a number of years now leads us to believe that that's a sufficient basis upon which to allow Omaha to continue. We have added to Omaha the obligation to have an actuarial study to make sure that it's actuarially sound and that they keep a segregated fund so there are new obligations for Omaha. Example three which you identified as having the higher risk because the political subdivision has more of a responsibility for underwriting the coverage is used, to my knowledge, in the situation of NPPD now. If there are others who are using it, I'm not sure of their identity. That's one I do know exists. Both examples two and three are commonly available to political subdivisions, that is to say we don't say you can only use example two if you're in one circumstance and example three is you're in another circumstance. They are generally available. Both of them are triggered by actuarial studies and by segregated funds with the existence of excess insurance.

SENATOR WESELY: Okay. And the insurance department role in that feeling, that desire to look into this, who does oversee...you talk...what requirements are there to oversee the fiscal soundness of these entities? What sort of provisions do you have in there to cover (interruption) ...

SENATOR LANDIS: Sure.

SENATOR WESELY: ...I'm concerned?

SENATOR LANDIS: There are provisions in the amendments. First, an annual...

PRESIDENT MOUL: One minute.