

LEGISLATIVE BILL 1177

Approved by the Governor February 18, 1972

Introduced by C. W. Holmquist, 16th District

AN ACT relating to schools; to clarify authority to purchase liability insurance; to provide for additional insurance coverage; to authorize insurance coverage for members of governing boards; to amend section 23-2413, Reissue Revised Statutes of Nebraska, 1943, and section 79-2630, Revised Statutes Supplement, 1971; and to repeal the original sections.
Be it enacted by the people of the State of Nebraska,

Section 1. That section 23-2413, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

23-2413. The governing body of any political subdivision, including any school district, educational service unit, or technical community college may purchase a policy of liability insurance insuring against all or any part of the liability which might be incurred under this act, and also may purchase insurance covering those claims specifically excepted from the coverage of this act by section 23-2409. Any independent or autonomous board or commission in the political subdivision having authority to disburse funds for a particular purpose of the subdivision without approval of the governing body also may procure liability insurance within the field of its operation. The procurement of insurance shall constitute a waiver of the defense of governmental immunity as to those exceptions listed in section 23-2409 to the extent, and only to the extent, stated in such policy. The existence or lack of insurance shall not be material in the trial of any suit except to the extent necessary to establish any such waiver. Whenever a claim or suit against a political subdivision is covered by liability insurance, the provisions of the insurance policy on defense and settlement shall be applicable notwithstanding any inconsistent provisions of this act.

Sec. 2. That section 79-2630, Revised Statutes Supplement, 1971, be amended to read as follows:

79-2630. When the area boards assume administration, control and occupancy of the respective junior colleges and vocational technical schools, the faculty and nonacademic personnel employed therein shall

be deemed to remain employees of the local school district for the purpose of any health care service contract or hospitalization insurance contract provided as a benefit for such faculty or nonacademic personnel, and shall continue to be entitled to all rights thereunder as if they had remained an employee of the local school district.

Until the area board adopts a new hospitalization, medical, surgical, accident, sickness, or term life insurance contract or health care service contract for all employees in the technical community college area, the area boards shall deduct from the remuneration of each employee the amount which such employee is or may be required to pay in accordance with the provisions of any existing hospitalization, medical, surgical, accident, sickness, or term life insurance or health care service contract and the area boards shall pay to the hospitalization, medical, surgical, accident, sickness, or term life insurance company or health care service contractor the employer's share required to be paid under the provisions of such existing plans by the employer and the employee.

Sec. 3. The governing board of any school district may provide its members with hospitalization, medical, surgical, accident, sickness, or term life insurance coverage or any one or more of such coverages.

Sec. 4. The governing board of any educational service unit may provide its members with hospitalization, medical, surgical, accident, sickness, or term life insurance coverage or any one or more of such coverages.

Sec. 5. That original section 23-2413, Reissue Revised Statutes of Nebraska, 1943, and section 79-2630, Revised Statutes Supplement, 1971, are repealed.