

AMENDMENTS TO LB 664

1 1. Insert the following new section:
2 "Sec. 4. Section 44-4306, Reissue Revised Statutes of
3 Nebraska, is amended to read:
4 44-4306. Any agreement entered into for the purpose of
5 establishing and operating a risk management pool shall provide:
6 (1) A financial plan setting forth in general terms the:
7 (a) Types of insurance coverage to be offered by the
8 pool, applicable deductible levels, and maximum level of claims
9 which the pool will self-insure;
10 (b) Amount of cash reserves to be set aside for the
11 payment of claims;
12 (c) Amount of standard insurance to be purchased by the
13 pool to provide coverage over and above the claims which are not to
14 be satisfied directly from the pool's resources; and
15 (d) Amount of aggregate excess insurance coverage and
16 specific excess insurance coverage to be purchased in a given
17 fiscal period; and
18 (2) A plan of management setting forth:
19 (a) The means of establishing the governing authority of
20 the pool. (i) The governing authority shall be a board of
21 directors who are elected or appointed officials of member public
22 agencies. (ii) The number of members of the board who are either
23 elected or appointed officials of member public agencies shall not
24 be less than the requisite number of members needed to transact all

1 the business of the pool;

2 (b) The responsibility of the board of directors with
3 regard to fixing annual contributions to the pool from members,
4 maintaining reserves, levying and collecting from members
5 assessments for deficiencies, disposing of surpluses, and
6 administering the pool in the event of termination or insolvency;

7 (c) A procedure verifying that the members of the risk
8 management pool are of the same types of risk and as homogenous of
9 a unit as possible;

10 (d) A procedure by which new members may be admitted to
11 and existing members may leave the pool. The procedure shall
12 permit members to withdraw from participation in a pool.
13 Withdrawal shall not affect the obligations of the withdrawing
14 member under any contract or agreement with the pool or impair the
15 payment of any outstanding bonds or any interest on such bonds;

16 ~~(d)~~ (e) The identification of funds and reserves by
17 exposure area;

18 ~~(e)~~ (f) A provision requiring that all claims shall be
19 paid promptly;

20 ~~(f)~~ (g) A provision requiring that no part of the net
21 earnings or assets of the pool shall inure to the benefit of any
22 private person;

23 ~~(g)~~ (h) A provision requiring that, upon dissolution of
24 the pool, all of the assets of the pool will vest in member public
25 agencies in the manner set forth in the plan of management;

26 ~~(h)~~ (i) A system or program of loss control; and

27 ~~(i)~~ (j) Any other standards, procedures, or practices

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- 1 necessary or desirable for the continued operation of the pool.".
- 2 2. On page 9, line 9, after the first comma insert
- 3 "44-4306,".
- 4 3. Renumber the remaining sections accordingly.