

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 by which new members may be admitted to
8 and existing members may leave the pool. The procedure shall
9 permit members to withdraw from participation in a pool , except
10 that the procedure shall be limited to the extent necessary so as
11 to promote the stability of the group. Withdrawal shall not affect
12 the obligations of the withdrawing member under any contract or
13 agreement with the pool or impair the payment of any outstanding
14 bonds or any interest on such bonds;

15 (d) The identification of funds and reserves by exposure
16 area;

17 (e) A provision requiring that all claims shall be paid
18 promptly;

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

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

25 (h) A system or program of loss control; and

26 (i) Any other standards, procedures, or practices
27 necessary or desirable for the continued operation of the pool."

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2. On page 9, line 9, after the first comma insert
- 2 "44-4306,".
- 3
3. Renumber the remaining sections accordingly.