



Ninety-Ninth Legislature - Second Session - 2006
Committee Statement
LB 1126

Hearing Date: February 13, 2006
Committee On: Business and Labor

Introducer(s): (Business and Labor Committee: Cunningham, Chairperson; Burling, Combs, Kremer, Preister, Schimek)
Title: Provide for payment of claims against the state

Roll Call Vote – Final Committee Action:

- Advanced to General File
 - X Advanced to General File with Amendments
 - Indefinitely Postponed
-

Vote Results:

7	Yes	Senators Cunningham, Combs, Burling, Chambers, Kremer, Preister and Schimek
0	No	
0	Present, not voting	
0	Absent	

Proponents:
Grace Honeywell
Laura Peterson

Representing:
Introducer
DAS

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes: LB 1126 is the annual state claims bill.

LB 1126 was introduced at the request of the Department of Administrative Services, Risk Management Division, pursuant to statute, to appropriate funds for the payment of certain claims and provide for the payment of such claims, to authorize certain write-offs, and to declare an emergency.

Bill Description:

Section 1: of the bill appropriates funds for the payment of miscellaneous claims filed with the Risk Manager because there is no program or fund designated for the payment of such claims.

This bill requests the payment of three claims for a total of \$324.00 for attorney fees for representing the state in ALR hearings, and for the payment of attorney fees pursuant to a settlement agreement entered into by the Attorney General, for the sum of \$20,000.00. There is the request for the payment of expired warrants whereby a warrant (check) was lost, never received, or expired while investigating the validity of such warrant. All three expired warrants were against the Department of Revenue. Claim No. 05-307 is payable to Bettina Stoll-Dugan for \$21,341.75; Claim No. 2005-00033 is payable to Peter and Annette Townley for \$16,599.00; and Claim No. 2005-00272 is payable to National By-Products, Inc. for \$10,652.00. The miscellaneous claims will be paid out of the General Funds. **Miscellaneous Claims Total: \$68,916.75.**

Section 2: of the bill appropriates funds for the payment of tort claims under the State Tort Claims Act, which have been settled by the Attorney General in district court or in which court judgments have been entered and which require the approval of the Legislature for payment. There is one tort claim included in this bill, Claim No. 03-307, which is against the Department of Roads and payable out of the Roads Operations Cash fund in the sum of **\$150,000.00**.

Section 3: authorizes the Director of Administrative Services to draw warrants on or before June 30, 2006, upon the funds in the state treasury, for the issuance of warrants for the amounts described herein, and as the full payment of any and all claims, rights, causes of action, damages, and demands against the State of Nebraska. Said warrants shall not be delivered until a receipt and release in full releasing the State of Nebraska, its officers, employees, and agents, and their successors and assigns, has been filed by each of the beneficiaries.

Section 4: authorizes agencies to write off certain accounts. The requests were reviewed and approved by the State Claims Board. The Department of Education filed Request No. 2005-00131 and 2005-132 to write off a total of \$139.00 in uncollectible debts; HHSS Regulation and Licensure Laboratory filed Request No. 2005-00149 to write off \$1,676.74 in uncollectible debts; the Clerk of the Legislature filed Request No. 2006-00399 to write off \$19.55 in uncollectible debts; HHSS Finance and Support filed Request No. 2006-00507 to write off \$570.00 in bad checks written to vital statistics; the Nebraska Energy Office filed Request No. 2006-00511 to write off \$32,706.02 in uncollectible debts because the borrowers filed for bankruptcy and were discharged from their debts; HHSS Finance and Support filed Request No. 2006-00512 to write off \$77,001.32 in uncollectible debts, of which \$72,726.31 is due to bankruptcies and \$4,275.01 is due to death; HHSS for the Thomas Fitzgerald Veterans' Home filed Request No. 2006-00517 to write off \$8,822.69 in uncollectible debts involving four former residents who are now deceased; and the Military Department filed Request No. 2006-00534 to write off \$10,893.17 of uncollectible debts associated with the National Guard Tuition Assistance Program. **Total Write Offs: \$131,858.49.**

Explanation of amendments, if any: AM2318 reduces the write-off under Request No. 2005-00149 from \$1,676.74 to \$1,676.71, for a total of three cents.

Senator Douglas Cunningham, Chairperson