

ONE HUNDRED FOURTH LEGISLATURE - SECOND SESSION - 2016
COMMITTEE STATEMENT
LB600

Hearing Date: Monday March 02, 2015
Committee On: Business and Labor
Introducer: Ebke
One Liner: Change provisions relating to the investment of trust funds for self-insurers under the Nebraska Workers' Compensation Act

Roll Call Vote - Final Committee Action:
Indefinitely postponed

Vote Results:
Aye: 6 Senators Bloomfield, Crawford, Ebke, Harr, Howard, Johnson
Nay:
Absent: 1 Senator Chambers
Present Not Voting:

Verbal Testimony:

Proponents:
Senator Laura Ebke
Curtis Ruwe
Jerry Stilmock

Representing:
Introducer
Crete Carrier Corporation
Nebraskans for Workers' Compensation Equity & Fairness, Nebraska Federation of Independent Business

Opponents:

Representing:

Neutral:
Glenn Morton

Representing:
Nebraska Workers' Compensation Court

Summary of purpose and/or changes:

Under the Workers' Compensation Act, self-insured employers must meet certain financial security requirements to ensure sufficient funds are available to pay work comp claims if the employer becomes insolvent. According to the Nebraska Workers' Compensation Court Rules of Procedure, this security requirement can be in the form of either a surety bond or an irrevocable workers' compensation trust agreement.

A provision in the irrevocable trust agreement states that self-insured employers choosing to establish a trust are limited to investments which are obligations of the United States or its agencies, or which are federally insured.

LB 600 would expand the authority to invest funds held in an irrevocable workers' compensation trust to allow for investments in the same manner that insurers are allowed to invest funds reserved to pay claims under the Insurer's Investment Act.
