

ONE HUNDRED SEVENTH LEGISLATURE - SECOND SESSION - 2022
COMMITTEE STATEMENT
LB870

Hearing Date: Friday January 21, 2022
Committee On: Judiciary
Introducer: Hansen, M.
One Liner: Provide for payment of attorney's fees from the State Self-Insured Indemnification Fund and the State Self-Insured Liability Fund

Roll Call Vote - Final Committee Action:

Advanced to General File

Vote Results:

Aye: 8 Senators Brandt, DeBoer, Geist, McKinney, Lathrop, Morfeld, Pansing
Brooks, Slama

Nay:

Absent:

Present Not Voting:

Oral Testimony:

Proponents:

Senator Matt Hansen

Representing:

Introducer

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB 870 amends two state revolving funds to allow payment of attorneys' fees, by allowing fees associated with agency legal counsel or hired outside legal counsel to be paid from the revolving funds. The revolving funds involved are the State Self-Insured Indemnification Fund and the State Self-Insured Liability Fund.

Section by section

Section 1 Amends section 81-8,239.02 which establishes several revolving funds including the State Self-Insured Indemnification Fund and the State Self-Insured Liability Fund. Subsection (3), the Indemnification Fund is amended to include payment for attorney's fees by agency legal counsel or legal counsel hired by the agency. Changes to subsection (4) (b) make similar changes to the Liability Fund and includes a new subsection (4)(c) that permits payments for costs and attorney's fees when the Attorney General's office cannot represent the agency, official, or employee due to a conflict of interest.

Section 2 Amends section 81-8,239.05 which requires the State to indemnify current and past employees and 'officials for actions in the scope of their employment. Subsection (1) changes include adding attorney's fees (agency or hired) in the items for which the State indemnifies the official or employee. Subsection (3) requires the Attorney General to Risk Manager an official or employee is represented by the Attorney General or counsel approved by the Attorney General. Changes

made by LB 870 add inclusion of attorney's fees (agency or hired) to be paid by the Risk Manager.

Section 3 Amends section 81-8,239.11 addressing notification and documentation provided to the Risk Manager by requiring adding documentation of insufficient funds on the part of the agency.

Section 4 Repeals original sections.

Steve Lathrop, Chairperson