

ONE HUNDRED NINTH LEGISLATURE - SECOND SESSION - 2026
COMMITTEE STATEMENT
LB199

Hearing Date: Wednesday February 05, 2025
Committee On: Judiciary
Introducer: Sorrentino
One Liner: Change the statute of limitations for personal injury actions, include administrative proceedings within the Nonrecourse Civil Litigation Act, require disclosures by consumers under such act, and provide for discipline against civil litigation funding companies

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

| | | |
|----------------------------|---|--|
| Aye: | 5 | Senators Bosn, Hallstrom, Holdcroft, Storer, Storm |
| Nay: | 3 | Senators DeBoer, McKinney, Rountree |
| Absent: | | |
| Present Not Voting: | | |

Testimony:

Proponents:

Senator Tony Sorrentino
Korby Gilbertson

Kent Grisham
Andrew Richard

Sarah Dempsey

Representing:

Opening Presenter
American Property Casualty Insurance Association;
Nebraska Insurance Federation
Nebraska Trucking Association
Sapp Bros, Inc; Nebraska Petroleum & Convenience
Store Association
Werner Enterprises

Opponents:

Jennifer Turco Meyer
Eric Schuller
Rachel Suhr
Tim Hruza
William Rasmussen
Tracie Rasmussen

Representing:

Nebraska Association of Trial Attorneys
Alliance for Responsible Consumer Legal Funding
Self
Nebraska State Bar Association
Self
Self

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 199 creates a 2-year statute of limitations for personal injury actions. The bill also amends the Nonrecourse Civil Litigation Act to include claims presented at administrative hearings within the definition of "legal claim" and require



disclosure of nonrecourse civil litigation funding contracts.

Section-by-Section Summary

Section 1: A new section of law which provides that an action for personal injury can only be brought within 2 years. The 2-year statute of limitations would apply to causes of action accruing on or after the effective date of the bill.

Section 2: Amends § 25-3301 to add section 4 of the bill to the Nonrecourse Civil Litigation Act (Act).

Section 3: Amends § 25-3302 to redefine “legal claim” for purposes of the Act. As redefined by this section, “legal claim” includes a civil claim or action or a claim presented at an administrative hearing. Current law provides that the term “legal claim” means a civil claim or action.

Section 4: A new section of law which requires a consumer, as defined in § 25-3302, or the consumer’s attorney to disclose and deliver a copy of any contract for nonrecourse civil litigation funding to each party to the legal claim, to any court, agency, or tribunal in which the claim is pending, and to any known person with a preexisting contractual obligation to indemnify or defend a party to the legal claim. The disclosure required under this section is a continuing obligation and exists regardless of whether a civil action or an administrative proceeding has commenced. The consumer or the consumer’s attorney must disclose and deliver any new or amended contract within 30 days after entering into a new contract or amending an existing contract. This section also provides that contracts for nonrecourse civil litigation funding and all parties to such contracts are subjects of discovery in any legal claim for which litigation funding is provided.

Section 5: Amends § 25-3309, which governs the registration and regulation of civil litigation funding companies, to add that a knowing violation of section 4 of the bill is grounds for the Secretary of State to suspend, revoke, or refuse to renew a civil litigation funding company’s certificate of registration.

Section 6: Assigns section 1 of the bill to Chapter 25, article 2.

Section 7: Repealer.

Explanation of amendments:

The committee amendment (AM 2731) strikes and replaces the original sections of the bill. Sections 2, 5, 6 and 7 of AM 2731 are unchanged from the same sections in the introduced bill. Section 1 is amended to change the statute of limitations period from 2 years to 3 years. Section 3 is amended to add that “nonrecourse civil litigation funding” includes funding provided to an attorney or law firm where repayment is contingent in any respect on the outcome of the consumer’s legal claim. Section 4 is amended to modify the disclosure requirement so that a consumer or the consumer’s attorney must disclose and deliver a copy of a nonrecourse litigation funding contract within 30 calendar days after receipt of a written request. This changes the bill from an automatic disclosure requirement to a disclosure-upon-request framework.

Section-by-Section Summary

Section 1: A new section of law which provides that an action for personal injury can only be brought within 3 years. The 3-year statute of limitations would apply to causes of action accruing on or after the effective date of the bill. The bill as introduced created a 2-year statute of limitations period.



Section 2: Amends § 25-3301 to add section 4 of the bill to the Nonrecourse Civil Litigation Act (Act).

Section 3: Amends § 25-3302 to redefine “legal claim” for purposes of the Act. As redefined by this section, “legal claim” includes a civil claim or action or a claim presented at an administrative hearing. Current law provides that the term “legal claim” means a civil claim or action. As amended, this section also adds that “nonrecourse civil litigation funding” includes funding provided to an attorney or law firm where repayment is contingent in any respect on the outcome of the consumer’s legal claim.

Section 4: A new section of law which requires a consumer, as defined in § 25-3302, or the consumer’s attorney to disclose and deliver a copy of any contract for nonrecourse civil litigation funding to each party to the legal claim, to any court, agency, or tribunal in which the claim is pending, and to any known person with a preexisting contractual obligation to indemnify or defend a party to the legal claim within 30 calendar days after receipt of a written request. The bill as introduced required automatic disclosure. The disclosure required under this section is a continuing obligation and exists regardless of whether a civil action or an administrative proceeding has commenced. The consumer or the consumer’s attorney must disclose and deliver any new or amended contract within 30 days after entering into a new contract or amending an existing contract. This section also provides that contracts for nonrecourse civil litigation funding and all parties to such contracts are subjects of discovery in any legal claim for which litigation funding is provided.

Section 5: Amends § 25-3309, which governs the registration and regulation of civil litigation funding companies, to add that a knowing violation of section 4 of the bill is grounds for the Secretary of State to suspend, revoke, or refuse to renew a civil litigation funding company’s certificate of registration.

Section 6: Assigns section 1 of the bill to Chapter 25, article 2.

Section 7: Repealer.

Carolyn Bosn, Chairperson

