

**ONE HUNDRED NINTH LEGISLATURE - FIRST SESSION - 2025**  
**COMMITTEE STATEMENT**  
**LB341**

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**Hearing Date:** Wednesday February 05, 2025  
**Committee On:** Judiciary  
**Introducer:** Hallstrom  
**One Liner:** Adopt the Nebraska Statutory Thresholds for Settlements Involving Minors Act

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

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**Vote Results:**

|                            |   |  |
|----------------------------|---|--|
| <b>Aye:</b>                | 7 | Senators Bosn, DeBoer, Hallstrom, Holdcroft, Rountree, Storer, Storm |
| <b>Nay:</b>                |   |  |
| <b>Absent:</b>             |   |  |
| <b>Present Not Voting:</b> | 1 | Senator McKinney   |

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**Testimony:**

**Proponents:**

Senator Bob Hallstrom  
Robert Bell

Michael Leahy  
Tim Hruza

**Opponents:**

**Neutral:**

**Representing:**

Opening Presenter  
Nebraska Insurance Federation; Nebraska Bankers Association  
Woodke & Gibbons PC  
Nebraska State Bar Association

**Representing:**

**Representing:**

\* ADA Accommodation Written Testimony

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**Summary of purpose and/or changes:**

LB 341 creates the Nebraska Statutory Thresholds for Settlements Involving Minors Act, a model law that allows a minor's custodian to settle the minor's claim without court approval if the settlement amount is \$35,000 or less. The bill expedites the settlement process for smaller minor claims, reducing the need for court intervention and associated costs. Under existing law, a minor's representative cannot settle the minor's claims without court approval.

**Section-by-Section Summary:**

Section 1: Creates the title for the Nebraska Statutory Thresholds for Settlements Involving Minors Act.

Section 2: Provides that the purpose of the Nebraska Statutory Thresholds for Settlements Involving Minors Act is to set forth standards and procedures for settling claims involving minors.

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Section 3: Sets out various conditions for settlements, how settlement proceeds are paid, the liability of various parties, and the right of a minor and the minor's representative to seek court approval as follows:

Subsection (1) covers when a minor's representative may enter into a settlement agreement.

Subsection (2) requires the representative's attorney, if any, to keep the representative's affidavit or verified statement in the attorney's file for 4 years after the minor turns 21.

Subsection (3) covers how money payable under a settlement is paid.

Subsection (4) covers when settlement proceeds can be withdrawn, removed, or paid out or transferred once the proceeds are paid to the minor.

Subsection (5) provides that if a settlement agreement is entered into in compliance with subsection (1), the signature of the person entering into the settlement agreement on behalf of the minor has the same force and effect as if the minor were a competent adult entering into the settlement agreement.

Subsection (6) exempts from liability the good-faith actions of the minor's representative, an insurer who, in good faith, deposits settlement proceeds in a restrictive savings or investment account or who purchases an annuity, and a financial institution that, in good faith, opens a restrictive savings or investment account.

Subsection (7) exempts from liability any person against whom a minor has a claim and who settles that claim with a minor under the Nebraska Statutory Thresholds for Settlements Involving Minors Act.

Subsection (8) defines "minor" as a person who has not attained the age of majority as established by § 43-2101.

Subsections (9) and (10) provide that the Act does not prevent a minor or the minor's representative from seeking court approval of the settlement or matters and agreements related to the settlement.

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**Explanation of amendments:**

The Committee Amendment, AM 176, increases the maximum threshold settlement amount from \$35,000 to \$40,000, removes the requirement for notice when settlement proceeds are paid if neither the minor or the person entering into the settlement agreement on behalf of the minor are represented by an attorney, and redefines "minor" as a person under 19 years of age.

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Carolyn Bosn, Chairperson

