

March 21, 1989

LB 77

and his light is on. The question is the adoption of the committee amendments. All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: 27 ayes, 0 nays, Mr. President, on adoption of the committee amendments.

PRESIDENT: The committee amendments are adopted. Senator Warner, Senator Hannibal's light is on ahead of yours. Is that by...ch, okay, Senator Warner, then you go ahead, please.

SENATOR WARNER: Mr. President, members of the Legislature, LB 77 as introduced expands the type of cost that can be indemnified, clarifies that settlements are included currently under statute, but it also adds appeal bonds and associated employee costs where an employee is taking it to court, not including in these costs in indemnification as the law currently provides the...if we did not include those, why, then, it would preclude eventual payment by the state because the employee could always file a miscellaneous claim but it would...what the bill does is authorizes up front payment or immediate reimbursement by the state by the indemnification route if money is in the fund versus later reimbursement by the miscellaneous claims route. And there are some hardship cases that can be caused by the system that we currently have. But it, essentially, also provides process for representation of employee by the Attorney General and the payment of ongoing costs in those indemnification amounts. Representation is under the control of the Attorney General. Payment is made by the Risk Manager, but only upon certification of the Attorney General. And the statute also would allow representation by the Attorney General of state employees for required appearance before other tribunals and courts, and the reason, it would probably be federal agencies, primarily. But that issue was also part of the bill because the occasion does arise where a state employee is requested to come before some group and it would be appropriate that they could have Attorney General representation in the event that that was necessary, and without that specific authorization, under existing law, that would not be clear. What the bill does with the committee amendment is establishes, broadens the indemnification fund which currently exists to, as I indicated, to include appeal bonds and reasonable costs associated with any appearance. It, then, clarifies what the Attorney General's role would be in implementing it. It very clearly denies any assistance to an