

amendment, we've tried to take that into account. Three, the amendment makes harmonizing changes in the information that a local government would be required to include with their claim. The amendment changes the language in two of the requirements, 4(b) and 4(c), to conform to the new definitions in the amendment, and this just merely keeps the language within the bill consistent. Number four, the amendment adds language to the section which outlines the process of approval, denial, and appeal to make clear that claims filed under the act are a discretionary matter for the State Claims Board and the Legislature to consider. The amendment provides the State Claims Board has discretion to approve or deny claims under this act as the basis for both eligibility and merit. It also provides the Legislature has discretion to reverse the denial of a claim by the Claims Board, through the appeals process. This is something that Senator Wehrbein had discussed and he had some concerns with because it might, in fact, become some type of entitlement to local governments. Even though there is language in Section 3 of the E & R amendments, which state that the creation of this fund is not to be interpreted as an expansion of the state's liability under the law, the amendment attempts to provide greater clarity to specify that these claims are discretionary in nature and that the state is not obligated to act in every instance. Finally, the amendment sets forth a provision guiding the loan process, should the Claims Board choose to assist a local government in that manner. The amendment provides that loans are made under this act require an agreement between the Risk Manager and the local government setting forth the repayment period and interest rates. The interest rate is set at 3 percent annually, unless the local government can demonstrate extreme financial hardship, and the local government would have a grace period of up to one year, and then would be required to pay off the loan within a period not to exceed three years. Again, the board may extend this time period in the event of extreme hardship or emergency. This is something that Senator Hillman discussed and suggested on General File that there needed to be some language to specify how loans would be repaid. The language in this amendment is loosely based on how loan repayment is handled through the Nebraska Resources Development Fund. The...many of the suggestions that were brought to me as a result of this bill, and through a number of senators we've tried to address to clarify some of the things. I certainly appreciate Senator Beutler and Senator Chambers, especially, because he made some