

LEGISLATIVE BILL 326

Approved by the Governor March 21, 1989

Introduced by Landis, 46; Weihsing, 48

AN ACT relating to the Risk Manager; to amend sections 60-1008 and 81-8,239.01, Reissue Revised Statutes of Nebraska, 1943; to authorize self-insurance of certain risks and the purchase of risk management services; to transfer a section; to harmonize provisions; to repeal the original sections; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 60-1008, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

~~60-1008.~~ The Risk Manager, acting as agent for the state agencies as defined in section 81-8,239.01, may (1) self-insure and contract for related risk management services, (2) shall purchase a liability insurance policy or policies, or (3) use any combination of self-insurance and insurance to protect the agencies and their employees and other persons authorized to operate a vehicle by an agency against loss occasioned by negligence in the operation of any trucks, automobiles, snowplows, road graders, or other vehicles. Any such such policy or policies shall be purchased by public bidding conducted by the Risk Manager upon terms and forms prepared by him or her, and shall be in a limit of not less than fifty thousand dollars to cover the death or bodily injury or injuries of one person and, subject to the limitation to one person, one hundred thousand dollars to cover death or bodily injury or injuries to more than one person in the same accident, and ten thousand dollars to cover property damage. The premium on the policy or policies shall be paid by the Risk Manager from the State Insurance Fund created in section 81-8,239.02. The Risk Manager shall authorize and administer the payment of self-insured losses and payment for risk management services from the State Insurance Fund, State Self-Insured Property Fund, or State Self-Insured Indemnification and Liability Fund as appropriate.

Sec. 2. That section 81-8,239.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read

as follows:

81-8,239.01. (1) As used in For purposes of sections 44-1615, 44-1616, and 81-8,239.01 to 81-8,239.04, unless the context otherwise requires, the definition of state agencies found in section 81-8,210 shall apply, except that such term shall not include the Board of Regents of the University of Nebraska.

(2) There is hereby established a Risk Management Program for the State of Nebraska, which shall consist of the systematic identification of exposures to risk of loss as provided in this act sections 11-201, 11-201.01, 11-202, 11-203, 13-911, 25-2165, 44-1615, 44-1616, 44-1622, 44-1623, 44-1630, 48-194, 48-197, 48-1,103, 48-1,104, 48-1,107, 48-1,109, 81-8,212, 81-8,220, 81-8,225, 81-8,226, 81-8,233, 81-8,239.01 to 81-8,239.06, and 81-8,300 and section 1 of this act and shall include the appropriate methods for dealing with such exposures in relation to the state budget pursuant to this act such sections. Such program shall be administered by the Risk Manager and shall include the operations of the State Claims Board and other operations provided in this act such sections.

(3) Under the Risk Management Program, the Risk Manager shall have the authority and responsibility to:

(a) Employ any personnel necessary to administer the Risk Management Program;

(b) Develop and maintain loss and exposure data on all state property and liability risks;

(c) Develop and recommend risk reduction or elimination programs for the state and its agencies and to establish, implement, and monitor a statewide safety program;

(d) Determine which risk exposures shall be insured and which risk exposures shall be self-insured or assumed by the state;

(e) Establish standards for the purchase of necessary insurance coverage or risk management services at the lowest costs, consistent with good underwriting practices and sound risk management techniques;

(f) Be the exclusive negotiating and contracting agency to purchase insurance or risk management services and, after consultation with the state agency for which the insurance or services are is purchased, enter into such contracts of insurance on behalf of the state and its agencies, officials, and employees to the extent deemed necessary and in the best interest of the state, and to authorize payment for such purchase of insurance out of the appropriate funds

created by sections 44-1630 and 81-8,239.02;

(g) Determine whether the state suffered a loss for which self-insured property loss funds have been created and authorize and administer payments for such loss from the State Self-Insured Property Fund for the purpose of replacing or rebuilding state property;

(h) Perform all duties assigned to the Risk Manager under the Nebraska Workers' Compensation Act and sections 11-201 to 11-203, 44-1622, 44-1623, and 44-1630 and section 1 of this act;

(i) Approve the use of risk management pools by any department, agency, board, bureau, commission, or council of the State of Nebraska and the University of Nebraska; and

(j) Recommend to the Legislature such legislation as may be necessary to carry out the purposes of ~~this act~~ sections 11-201, 11-201.01, 11-202, 11-203, 13-911, 25-2165, 44-1615, 44-1616, 44-1622, 44-1623, 44-1630, 48-194, 48-197, 48-1,103, 48-1,104, 48-1,107, 48-1,109, 81-8,212, 81-8,220, 81-8,225, 81-8,226, 81-8,233, 81-8,239.01 to 81-8,239.06, and 81-8.300 and section 1 of this act and to make appropriation requests for the administration of the Risk Management Program and the funding of the separate funds administered by the Risk Manager.

Sec. 3. That original sections 60-1008 and 81-8,239.01, Reissue Revised Statutes of Nebraska, 1943, are repealed.

Sec. 4. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.