LB1092 LB1092 2022 2022

LEGISLATIVE BILL 1092

Approved by the Governor April 18, 2022

Introduced by Flood, 19; Wayne, 13.

A BILL FOR AN ACT relating to Nebraska state colleges; to authorize establishment of risk-loss trusts; to provide requirements for use of risk-loss trusts; to provide for applicability; and to provide a duty for the Attorney General and the State Claims Board. Be it enacted by the people of the State of Nebraska,

Section 1. <u>(1) The Board of Trustees of the Nebraska State Colleges may establish, maintain, and administer one or more risk-loss trusts for the</u> purpose of paying losses and expenses incurred by the state colleges from (a) general and professional liability, including, but not limited to, judgments, awards, and settlements of claims and suits arising under state or federal law, including, but not limited to, the State Contract Claims Act, the State Miscellaneous Claims Act, and the State Tort Claims Act, (b) damage, destruction, or loss of real or personal property, and (c) errors and omissions <u>liability.</u> Any such risk-loss trust shall contain provisions relating to <u>defense</u> and <u>settlement</u> of <u>claims</u> and <u>suits</u> covered by the trust. No <u>risk-loss</u> trust established pursuant to this section shall be a member of the Nebraska Property and Liability Insurance Guaranty Association.

(2) Whenever any claim or suit against the state colleges or any of the officers, agents, or employees of the state colleges is covered by a risk-loss trust established pursuant to this section, the provisions of such trust defense and settlement of claims and suits covered by the trust shall applicable notwithstanding any inconsistent provisions of the State Tort Claims Act. The Attorney General and State Claims Board shall cooperate with the state colleges in administering the defense and settlement provisions of any such <u>trust.</u>