

ONE HUNDRED FIRST LEGISLATURE - SECOND SESSION - 2010
COMMITTEE STATEMENT
LB742

Hearing Date: Thursday January 21, 2010
Committee On: Government, Military and Veterans Affairs
Introducer: McCoy
One Liner: Provide requirements for settlement agreements involving public entities and provide that such agreements are public records

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

Vote Results:

Aye:	6	Senators Avery, Giese, Janssen, Krist, Price, Sullivan
Nay:	1	Senator Karpisek
Absent:	1	Senator Pahls
Present Not Voting:		

Proponents:
Senator Beau McCoy
Mike Foley
David Cookson
Jack Gould
Alan Peterson

Representing:
Introducer
Auditor of Public Accounts
Nebraska Attorney General
Common Cause
Media of Nebraska, Inc.

Opponents:
William Harding
Scott Norby
Paul Kratz
John McClure
John Bonaiuto
Doug Clark

Representing:
League of Nebraska Municipalities
Nebraska State Education Association
City of Omaha
Nebraska Power Association
Nebraska Association of School Boards
Metropolitan Utilities District

Neutral:

Representing:

Summary of purpose and/or changes:

LB 742 provides that a public entity which enters into or is otherwise a party to a settlement regarding a claim or potential claim will execute a settlement agreement concerning the claim and such settlement agreement will be a public record. The settlement agreement will contain a brief description of the claim.

Except for settlement agreements involving the state, a state agency or state employee, or pursuant to claims under the State Tort Claims Act, any settlement agreement entered into by a public entity will be included as an agenda item for the next public meeting of the governing body.

The bill also provides that a confidentiality or nondisclosure clause or provision contained in a settlement agreement entered into by a public entity, or to which a public entity is a party, is void as against public policy and unenforceable.

Explanation of amendments:

The committee amendment strikes the original provisions of the bill and inserts the following new language:

A public entity or a private insurance company or public agency providing coverage to a public entity, public official or public employee will maintain a public record of all settled claims. The record for claims settled in the amount of \$50,000 or more, or one percent of the total annual budget of the public entity, whichever is less, will include a written settlement agreement. The settlement agreement will contain a brief description of the claim, the amount of financial compensation, and the party or parties released.

Any claim or settlement agreement involving a public entity will be a public record but, to the extent permitted by other statutes, specific portions may be withheld from the public.

A private insurance company or public agency providing coverage to a public entity will provide a copy of the claim or settlement agreement to the public entity to be maintained as a public record.

Except for settlement agreements involving the state, any settlement agreements with an amount of \$50,000 or more, or one percent of the total annual budget of the public entity, whichever is less, will be included as an agenda item at the next meeting of the public agency or public entity.

Confidentiality or nondisclosure clauses contained in a settlement agreement will neither cause nor permit a settlement agreement or claim or any other public record to be withheld from the public. Nothing in this bill requires a public official or employee or any party to the settlement agreement to comment on the agreement.

The amendment defines confidentiality or nondisclosure clause, public body, public entity, and settlement agreement.

Bill Avery, Chairperson