SENATE BILL NO. 568-COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF DEPARTMENT OF ADMINISTRATION—BUDGET DIVISION)

MARCH 26, 2001

Referred to Committee on Government Affairs

SUMMARY—Allows risk management division of department of administration and attorney general to assess counties for certain tort claims under certain circumstances. (BDR 27-1447)

FISCAL NOTE: Effect on Local Government: Yes.

Effect on the State: No.

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EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to tort claims; allowing the risk management division of the department of administration and the attorney general to assess counties for certain tort claims under certain circumstances; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 331.187 is hereby amended to read as follows:

331.187 1. There is created in the state treasury the fund for insurance premiums as an internal service fund to be maintained for use by the risk management division of the department of administration and the attorney general.

2. Each state agency shall deposit in the fund:

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- (a) An amount equal to its insurance premium and other charges for potential liability, self-insured claims, other than self-insured tort claims, and administrative expenses, as determined by the risk management division; and
- (b) An amount for self-insured tort claims and expenses related to those claims, as determined by the attorney general.
- 3. Each county shall deposit in the fund an amount, as determined by the risk management division and the attorney general, for potential liability, costs of defense and administrative expenses for employees of a court or employees found by a court to be state employees, unless the county enters into a written agreement to:



(a) Hold the state harmless and assume liability and costs of defense for employees of a court or employees found by a court to be state employees; or

(b) Reimburse the state for any liability and costs of defense for employees of a court or employees found by a court to be state employees.

- 4. Expenditures from the fund must be made by the risk management division or the attorney general to an insurer for premiums of state agencies as they become due or for deductibles, self-insured property and tort claims or claims pursuant to NRS 41.0349. If the money in the fund is insufficient to pay a tort claim, it must be paid from the reserve for statutory contingency account.
- **Sec. 2.** This act becomes effective on July 1, 2001.

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