

ONE HUNDRED FOURTH LEGISLATURE - FIRST SESSION - 2015
COMMITTEE STATEMENT
LB446

Hearing Date: Thursday January 29, 2015
Committee On: Nebraska Retirement Systems
Introducer: Nordquist
One Liner: Redefine compensation and change provisions for school employees retirement

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye:	5	Senators Davis, Groene, Kolterman, Mello, Nordquist
Nay:		
Absent:	1	Senator Kolowski
Present Not Voting:		

Verbal Testimony:

Proponents:
Senator Jeremy Nordquist
John Lindsay

Representing:
Introducer
Omaha Public Schools

Opponents:

Representing:

Neutral:
Orron Hill

Representing:
Nebraska Public Employees Retirement Board

Summary of purpose and/or changes:

LB 446 changes the definition of "compensation" in the Class V School Employees Retirement Act so it is the same as the definition of "compensation" in the School Employees Retirement Act.

It adds a new capping requirement to the Class V School Employees Retirement Act for members whose retirement date is on or after July 1, 2016. The portion of a member's compensation in a plan year that exceeds the compensation by 8% in the preceding year will be excluded for purposes of calculating the member's retirement benefit. If a member's compensation was reduced as a result of unpaid absence from work, the compensation used in the capping calculation will be the greater of (1) the annualized compensation for the preceding years as if it had been fully received or (2) the most recent preceding plan year in which the member had no unpaid absence from work.

It includes a clean-up provision in the School Employees Retirement Act that moves the capping language from the definition of "compensation" in 79-902(35) to section 79-934 which applies the capping language for purposes of calculation of a member's final retirement benefit.

Jeremy Nordquist, Chairperson