

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

January 30, 1998 LB 822

funding that time off, that what we ought not to be doing is spending that money under early retirement but rather spending that money on the working population to give them more time to deal with their kids, including teachers, while their kids are growing up. If you look, that to me is one of the major mistakes. The second major mistake is that we are creating enormous inequities. I think if you look at private retirement plans, you will not notice that their retirement ages are going down and down. I am going to check that out over the weekend, but it certainly has not been the case in organizations I've been associated with. So here we are for public employees reducing the retirement age, while for all other populations in the private sector, a corresponding ability to retire at such an early age does not exist, and I believe, once again, you are creating inequities that will come back to haunt us later. When, in the case of public employees, people see that retirement benefits are especially good and that you can retire especially early, it makes it very hard for us, I think, to argue that public employees should be given a fair and comparable salary. And I think getting a fair and comparable salary is more important to the overall problem of keeping employment in the public sector than are the retirement benefits. I think we ought to pay teachers well, and I think you're likely to attract better teachers for a longer period of time if you pay them well at the beginning, and if you pay them well while they're working. Another trend that begins to happen, as you drop the retirement age, you may remember some time ago when you could retire from the U.S. Army with full benefits after a relatively short period of years. Then people would get second jobs and have second careers, and then there occurred this thing called double-dipping where, for example, somebody in the Army who had been serving the government, served the government in another capacity in a civilian job; then by time age 65, they ended up being full-funded in two retirement programs. That's what's going to begin to happen with this kind of program as you drop the retirement age to 55. Now folks can work an additional ten years at something else, or fifteen, and have two retirement programs. Well, if the system is being funded and designed for one retirement program, then we're setting up a system whereby people are going to be rightfully concerned about double-dipping again. If we're going to allow people to retire so early and work and be a part of another