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March 30, 1998 LB 225, 404, 404A, 532, 799, 799A, 924, 924A
1056

answer any questions that you might have. Thank you.

SPEAKER KRISTENSEN: While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LB 404, LB 404A, LB 799, LB 799A, LB 225, LB 924, LB 924A, LB 1056. Senator Stuhr, you're recognized to open on the committee amendments. She waives opening on the committee amendments. We are now debating the committee amendments. Senator Bohlke.

SENATOR BOHLKE: Yes, Mr. Speaker, members, Senator Robak, I just want to say thank you for getting this done and it's at least better late than never. Thank you.

SPEAKER KRISTENSEN: Senator Wickersham.

SENATOR WICKERSHAM: Thank you, Mr. Speaker. I've just been asked to be brief by Senator Brashear, so I will try to accommodate. There are a couple of elements to this amendment that I think recommend it to you. One, it addresses one of the most critical needs in the defined benefit plans and that is for a COLA. This is a continuation of the efforts to meet the difficulties in the plans that were highlighted by the studies that were completed a couple of years ago. COLAs in the defined benefit plans were then noted as one of the great deficiencies in the three defined benefit plans. Secondly, this proposal targets the COLA to the individuals in the plan who are receiving the very lowest benefits, and those are probably the ones with the most critical need for a COLA. It is a flexible construct so that in the future the Legislature will be able to adjust the beneficiaries of the COLA, could even adjust the amount of the COLA, if you alter the 3 percent cap. But I think the primary component that is to be recommended to you is the flexibility for increasing the number of potential beneficiaries to the COLA as dollars become available. And, finally, the component that recommends this to you is that it is affordable within the scope of the current assets of the plans and the future funding of the plans at the current rates. In other words, it does not require any present or future additional contribution by the state or by other employers of the individuals that are participating in the plans. So I wish to state my support for the amendment and hope that you will