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LB 75, 711

motion is serious. There is an interim study introduced by the Retirement Committee. We will take a look at this issue. There is an interim study introduced by Senator Coordsen on the bill, which they referenced to the Executive Committee so the Executive Board can take a look at this issue as well. So there will be people taking a look at it. This, of course, if you are wondering, LB 75, here just to acclimate you, this is the retirement issue that has come up. Now this is the third time we've talked about it; once in conjunction with Senator Wickersham's priority bill, LB 772, once in conjunction I guess with another priority bill, his LB 711, or Senator Vrtiska's priority, Senator Wickersham's bill. So this has been brought back again. And I think the bracket is the right thing to do. I guess I will tell you why. We have 207 legislative employees. The fiscal note on this is \$550,000 a year for the next seven years, roughly seven years. The retirement plan that's being offered as an amendment to LB 75 that will come up next by Senator Chambers, violates four of the general principles of retirement planning that have been agreed upon by this Legislature. Those are not agreed upon lightly. What it does is it creates a supplemental plan for legislative employees only. So we have five plans right now in this state--judges, State Patrol, counties...county employees, state employees, and teachers. This creates a supplemental plan for a portion of the state employees. Now why is that a problem? That's a problem because there is no way legally to distinguish between our state employees, the folks that work for us who also are employees of the state, and the other 13,000 state employees. If you adopt Senator Chambers' amendment, if you don't vote for this bracket motion, essentially you are setting the state up legally to have to produce the same type of supplemental plan for the other 13,000 employees, not our 207 only, but the other 13,000 as well. Now what's the cost? Well, the cost of the supplemental plan here is about \$3,000 a person, roughly; 200 employees roughly, \$3,000 a person, 600,000, and that's rough. But extrapolate that over the other 13,000 state employees. If they come in and ask for a similar plan, which they will, 3,000 bucks, 13,000 employees, 39 million dollar fiscal impact. So this is only, only \$600,000 a year for roughly seven years. If they come in and ask, which they will, which they should, you're looking at 31...39 million dollar fiscal note. Now, let's say