

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 659

Introduced by McDonnell, 5.

Read first time January 18, 2023

Committee: Nebraska Retirement Systems

- 1 A BILL FOR AN ACT relating to retirement; to amend section 84-1501,
- 2 Revised Statutes Cumulative Supplement, 2022; to change provisions
- 3 of the Public Employees Retirement Board as prescribed; and to
- 4 repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 84-1501, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 84-1501 (1) The Public Employees Retirement Board is hereby
4 established.

5 (2)(a) The board shall consist of eight appointed members until
6 September 1, 2024, and nine appointed members beginning September 1,
7 2024, as described in this subsection, and the state investment officer
8 as a nonvoting, ex officio member. Six of the appointed members until
9 September 1, 2024, and seven of the appointed members beginning September
10 1, 2024, shall be active or retired participants in the retirement
11 systems administered by the board, and two of the appointed members (i)
12 shall not be employees of the State of Nebraska or any of its political
13 subdivisions and (ii) shall have at least ten years of experience in the
14 management of a public or private organization or have at least seven
15 ~~five~~ years of experience in the field of actuarial analysis or the
16 administration of an employee benefit plan.

17 (b) The appointed members who are participants in the retirement
18 systems shall be as follows:

19 (i) Two of the appointed members shall be participants in the School
20 Employees Retirement System of the State of Nebraska and shall include
21 one administrator and one teacher;

22 (ii) One of the appointed members shall be a participant in the
23 Nebraska Judges Retirement System as provided in the Judges Retirement
24 Act;

25 (iii) One of the appointed members shall be a participant in the
26 Nebraska State Patrol Retirement System;

27 (iv) One of the appointed members shall be a participant in the
28 Retirement System for Nebraska Counties;

29 (v) One of the appointed members shall be a participant in the State
30 Employees Retirement System of the State of Nebraska; and

31 (vi) Beginning September 1, 2024, one of the appointed members shall

1 be a participant who is a teacher in a retirement system established
2 under the Class V School Employees Retirement Act.

3 (c) Appointments to the board shall be made by the Governor and
4 shall be subject to the approval of the Legislature. All appointed
5 members shall be citizens of the State of Nebraska.

6 (3)(a) Except as otherwise provided in this subsection, all members
7 shall serve for terms of five years or until a successor has been
8 appointed and qualified. The terms shall begin on January 1 of the
9 appropriate year.

10 (b) To ensure an experienced and knowledgeable board, the terms of
11 the appointed members shall be staggered as follows:

12 (i) One of the two members described in subdivisions (2)(a)(i) and
13 (ii) of this section shall be appointed to serve for a five-year term
14 which begins in 2017;

15 (ii) One of the two members described in subdivisions (2)(a)(i) and
16 (ii) of this section shall be appointed to serve for a five-year term
17 which begins in 2018;

18 (iii) The participant in the School Employees Retirement System of
19 the State of Nebraska who is a teacher shall be appointed for a five-year
20 term which begins in 2019;

21 (iv) The participant in the School Employees Retirement System of
22 the State of Nebraska who is an administrator and the participant in the
23 State Employees Retirement System of the State of Nebraska shall be
24 appointed for a five-year term which begins in 2020;

25 (v) The participant in the Retirement System for Nebraska Counties
26 and the participant in the Nebraska Judges Retirement System shall be
27 appointed to serve for a five-year term which begins in 2021;

28 (vi) The participant in the Nebraska State Patrol Retirement System
29 shall be appointed to serve for a three-year term which begins in 2020,
30 and his or her successor shall be appointed to serve for a five-year term
31 which begins in 2023; and

1 (vii) The participant in a retirement system established under the
2 Class V School Employees Retirement Act shall be appointed to serve for a
3 fifty-two-month term which begins September 1, 2024, and his or her
4 successor shall be appointed to serve for a five-year term which begins
5 in 2029.

6 (4) In the event of a vacancy in office, the Governor shall appoint
7 a person to serve the unexpired portion of the term subject to the
8 approval of the Legislature.

9 (5) The appointed members of the board may be removed by the
10 Governor for cause after notice and an opportunity to be heard.

11 Sec. 2. Original section 84-1501, Revised Statutes Cumulative
12 Supplement, 2022, is repealed.