

ONE HUNDRED SECOND LEGISLATURE - FIRST SESSION - 2011
COMMITTEE STATEMENT
LB486

Hearing Date: Tuesday February 08, 2011
Committee On: Nebraska Retirement Systems
Introducer: Louden
One Liner: Change provisions relating to compensation and contributions under the School Employees Retirement Act

Roll Call Vote - Final Committee Action:
Indefinitely postponed

Vote Results:
Aye: 6 Senators Heidemann, Karpisek, Louden, Mello, Pankonin, Nordquist
Nay:
Absent:
Present Not Voting:

Proponents: Senator LeRoy Louden Jerry Hoffman Mike Dulaney	Representing: Introducer NSEA Nebraska Council of School Administrators
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Opponents:	Representing:
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Neutral: Phyllis Chambers	Representing: Nebraska Public Employees Retirement Systems
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Summary of purpose and/or changes:

LB 486 increases the 7% annual salary cap to 9% in the School Employees Retirement System beginning July 1, 2012, and eliminates the current exemptions for purposes of calculating benefits on annual compensation during each of the last five years of employment prior to actual retirement.

Current exemptions include:

- a. members who experience a substantial change in employment position (job or duty change);
- b. excess compensation occurred as the result of a collective bargaining agreement between the employer and a recognized collective bargaining unit or category of school employee;
- c. excess compensation occurred as the result of a district wide permanent benefit change made by the employer for a category of school employee

LB 486 also clarifies that contributions must be made on the full amount of compensation received and the Public Employees Retirement Board will not refund contributions on compensation above the 9% cap.

[LB 486, as revised by the Committee, was amended in LB 509 and enacted]

Jeremy Nordquist, Chairperson