

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 30**

Introduced by Kolterman, 24.

Read first time January 05, 2017

Committee: Nebraska Retirement Systems

- 1 A BILL FOR AN ACT relating to retirement; to provide for a cash balance
- 2 benefit plan by cities of the metropolitan class and primary class
- 3 for certain police officers or firefighters as prescribed; and to
- 4 provide a duty for the Revisor of Statutes.
- 5 Be it enacted by the people of the State of Nebraska,

1           Section 1.   (1) In order to provide secure and stable retirement  
2 benefits for current and future employees, it is the intent of the  
3 Legislature that parties consider not only the value of the retirement  
4 benefits offered, but also the cost of providing those benefits as part  
5 of total compensation. Therefore, beginning January 1, 20XX, no city of  
6 the metropolitan class may provide retirement benefits for police  
7 officers or firefighters hired on or after January 1, 20XX, unless the  
8 retirement benefits are provided pursuant to a cash balance benefit plan.  
9 Any person hired as a police officer or a firefighter on or after January  
10 1, 20XX, by a city of the metropolitan class shall satisfy all  
11 eligibility requirements as defined by the employer in order to be  
12 eligible for participation in the cash balance benefit plan.

13           (2) For purposes of this section, cash balance benefit means a  
14 member's retirement benefit is equal to the employee's contributions plus  
15 interest credits and, if vested, the city's contributions plus interest  
16 credits and any dividend amounts credited in accordance with the  
17 bargaining agreement and reflected in an accompanying city ordinance.

18           (3) A supplemental retirement plan may be included for the benefit  
19 of members hired on or after January 1, 20XX, who are participating in  
20 the cash balance benefit plan that do not participate in the federal Old-  
21 Age and Survivors Insurance Benefit system. The auxiliary benefit under  
22 the supplemental retirement plan shall be funded by additional  
23 contributions that are in excess of contribution rates established  
24 pursuant to subsection (2) of this section. All contributions made  
25 pursuant to this subsection shall be deposited into a defined  
26 contribution or cash balance account invested and administered according  
27 to the city retirement plan.

28           Sec. 2.   (1) In order to provide secure and stable retirement  
29 benefits for current and future employees, it is the intent of the  
30 Legislature that parties consider not only the value of the retirement  
31 benefits offered, but also the cost of providing those benefits as part

1 of total compensation. Therefore, beginning January 1, 20XX, no city of  
2 the metropolitan class may provide retirement benefits for police  
3 officers or firefighters hired on or after January 1, 20XX, unless the  
4 retirement benefits are provided pursuant to a cash balance benefit plan.  
5 Any person hired as a police officer or a firefighter on or after January  
6 1, 20XX, by a city of the primary class shall satisfy all eligibility  
7 requirements as defined by the employer in order to be eligible for  
8 participation in the cash balance benefit plan.

9 (2) For purposes of this section, cash balance benefit means a  
10 member's retirement benefit is equal to the employee's contributions plus  
11 interest credits and, if vested, the city's contributions plus interest  
12 credits and any dividend amounts credited in accordance with the  
13 bargaining agreement and reflected in an accompanying city ordinance.

14 (3) A supplemental retirement plan may be included for the benefit  
15 of members hired on or after January 1, 20XX, who are participating in  
16 the cash balance benefit plan that do not participate in the federal Old-  
17 Age and Survivors Insurance Benefit system. The auxiliary benefit under  
18 the supplemental retirement plan shall be funded by additional  
19 contributions that are in excess of contribution rates established  
20 pursuant to subsection (2) of this section. All contributions made  
21 pursuant to this subsection shall be deposited into a defined  
22 contribution or cash balance account invested and administered according  
23 to the city retirement plan.

24 Sec. 3. The Revisor of Statutes shall assign:

25 (1) Section 1 of this act to Chapter 14, article 5; and

26 (2) Section 2 of this act to Chapter 15, article 10.