

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised to reflect the adoption of AM2263

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	(1,221,208)	7,500	0	0	(1,213,708)
FY2027-2028	(1,221,208)	0	0	0	(1,221,208)
FY2028-2029	(1,221,208)	0	0	0	(1,221,208)
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

AM2263 strikes the original provisions of LB1101 & updates the provisions within the Judges Retirement Act as follows:

Beginning on July 1, 2026, a judge who first serves as a judge on or after July 1, 2015:

- if the benefits entitled to a judge under §24-710 has not reached the maximum retirement benefit base limit, they will contribute a monthly nine percent of their monthly compensation to the fund
- if the benefits entitled to a judge under §24-710 has reached the maximum retirement benefit base limit, they will contribute monthly five percent of their monthly compensation to the fund for the remainder of their active service

Beginning July 1, 2026, the state's contribution from the General Fund to the Nebraska Retirement Fund for Judges is reduced from five percent to zero percent.

Judges who became members prior to July 1, 2026, will have a maximum cost-of-living adjustment (COLA) of one percent.

Judges who become members on or after July 1, 2026, will have a maximum cost-of-living adjustment (COLA) of two and one-half percent.

LB1101 amends §24-703 to change the amount of the state contribution to the Nebraska Retirement Fund for Judges.

The state contribution to the Nebraska Retirement Fund for Judges (Judges Plan) will be reduced from 5% of the total annual compensation of all members of the retirement system to 4% of the total annual compensation of all members of the retirement system.

The bill includes the emergency clause.

FISCAL IMPACT:

The current estimate of the 5% annual contribution to the Judges plan is \$1,221,208. With AM2263 updating the annual contribution to 0%, the change would result in an estimated annual savings of \$1,221,208.

The Nebraska Public Employees' Retirement Systems (NPERS) had an actuarial study completed to calculate the effects of LB1101 & AM2263. The cost of that study was \$7,500.

Please complete ALL (5) blanks in the first three lines.

2026

LB⁽¹⁾ 1101 AM 2263

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Nebraska Public Employees Retirement Systems (NPERS)

Prepared by: ⁽³⁾ Teresa Zulauf

Date Prepared: 2/18/2026
⁽⁴⁾

Phone: ⁽⁵⁾ 402-471-7745

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(\$1,221,208)			
CASH FUNDS	7,500		0	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	(\$1,213,708)		0	

Explanation of Estimate:

LB 1101: change the amount of the State Contribution to the Nebraska Retirement Fund for the Judges.
 LB 1101 AM 2263 will reduce the state contribution for the Nebraska Retirement Fund for the Judges from 5% (request was \$1,526,510) The actuary recommended 4% (\$1,221,208). AM 2263 moves the state contribution to 0%. This will be a negative request of \$1,221,208. This will make the state's contribution zero.

NPERS inquired with the Actuaries as to what the effect would be on the State General Fund. The actuary charge will be approximately \$7,500.

AM 2263 will also reduce the member contribution rate. Beginning July 1, 2026, the contribution rate for all judges would be reduced from 10% of compensation to 9% of compensation. Also upon reaching twenty years of service credit, the contribution rate for all judges would be further reduced from 9% to 5% of compensation.

There would also be an increase to the maximum cost-of-living adjustment (COLA) for judges who became plan members after July 1, 2015 from 1% to 2.5%.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27 EXPENDITURES	2027-28 EXPENDITURES
	26-27	27-28		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				

TOTAL.....

Please complete ALL (5) blanks in the first three lines.

2026

LB⁽¹⁾ 1101, AM2263

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ 05 Supreme Court

Prepared by: ⁽³⁾ Eric Asboe Date Prepared: ⁽⁴⁾ 3/4/2026 Phone: ⁽⁵⁾ 402-326-9215

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>		<u>FY 2027-28</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	_____	_____	_____

Explanation of Estimate:

LB1101, as amended by AM2263, has no fiscal impact on the Judicial Branch. Impact to the State of Nebraska includes decreasing State General Fund expenditures by reducing the State contribution rate from 5% to 0% and judges retirement plan benefit changes.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2026-27 EXPENDITURES</u>	<u>2027-28 EXPENDITURES</u>
	<u>26-27</u>	<u>27-28</u>		
Benefits.....	_____	_____	_____	_____
....				
Operating.....	_____	_____	_____	_____
....				
Travel.....	_____	_____	_____	_____
.				
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
.				
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 1101 AM: 2263 AGENCY/POLT. SUB: Supreme Court

REVIEWED BY: Ryan Walton DATE: 3/5/2026 PHONE: (402) 471-4174

COMMENTS: The Supreme Court's assessment of fiscal impact from LB 1101, as amended by AM2263, appears reasonable.