

April 16, 1973

Now the Public Employees Retirement Board is meeting today and I have asked them to consider this to see how we might go about it to have an amendment that would be satisfactory and this is being taken up by the Public Employees Retirement Board today; therefore, I feel no action should be taken on any new amendments at the present time. Now another thing, we should have an annual review of this. The cost of living thing should be based upon an annual review and this is not in the amendment. Therefore, we would not know whether to do it on a monthly basis, on a six months basis, on the date that they're retired or when. And it's not clear. It would be impossible for us to take the private folders of 3210 persons that this would involve and go back through the years and increase by the cost of living index. It would be an impossibility to do this and therefore we'd have to take the emergency clause off. Now then we're not treating the people who retire after July 1, 1973 the same as we're treating the people who retire before July 1, 1973. And within a year or two whenever these people retire they should be given the same benefits who retire after July 1, 1973 as those who retired before July 1, 1973 and this bill is not doing it. This bill only covers the service annuities and it does not include the savings annuities and it should cover in my judgment both. In private business, cost of living changes we have certain limitations and if we were to include also those retiring after July 1, 1973, this should be in the bill and so I'm saying as chairman of the Retirement Committee and having been on this committee now for several years that there's a lot of flaws in this amendment and we simply have got to get together and to work this thing out so it will be satisfactory to all concerned. There's also the matter of other people involved. The state employees have just as much right to a retirement program which is based upon cost of living changes as do the school teachers in Nebraska. The other persons who are employed by the state have just as much right as do the people covered in this bill and for that reason it behooves us to take time to go through this and have an interim study and to treat everybody alike. What if we were just to pick out say the judges and do that alone without taking care of the other persons involved? The other persons involved would not like it. There was amendments that were brought to this committee by the State Patrol. They said, we want to amend this and put it on. I have a letter enclosed amendments by the state employees that said, we want to be in on this too, right away. And so, here we have a problem now. After this first amendment was considered unconstitutional by the Attorney General we have a problem and so I feel that since we already have a resolution already drawn up and we can present this tomorrow and then have an interim study on this and bring everybody up at the same time. There are other people, state employees, who are in just as bad a shape who have retired as are the people involved in this particular bill. Obviously we feel for those people and so we shouldn't necessarily do something for one without doing something for all people concerned and so on the basis of what has happened here in this Legislature today I feel we should reject these committee amendments and then once we reject these committee amendments I will make a motion to bracket the bill so that we can study it more and get the Retirement Committee back together and study this thing, get our actuaries together and decide what to do and then discover what is the costs involved? I would say that before we get through with this it's going to cost us over \$100 million in the retirement programs to take care of the cost of living changes and when we're talking about \$100 million we've got to know what we're doing and so I move the committee amendments be rejected.

PRESIDENT: Now, the chair had called attention, I think I said it twice that Senator Whitney was closing on his motion.