

the contribution. You look on page 7, line 21, where it talks about cities, it says any city or village of this state "may" pick up the employee contribution. But then go back to page 6, line 26, where it is speaking of the schools, it says the employer "shall" pick up the member contributions. I ask that this bill be returned to Select File to change that "shall" to "may".

SPEAKER NICHOL: Senator Wesely.

SENATOR WESELY: Mr. Speaker, members, I'll explain the situation as best I can, Senator Lamb. We did go over this on General File. I'm sorry you missed the debate on that. What we were asked at that time was the same question, how do you handle this for the school, shouldn't we allow each school district to make the determination. The problem is that you apply for this pickup provision through the IRS as a system. The application is made as a retirement system. You can't do it as a school district for your own school employees but not for another school district and their school employees. We have got one school system, for all the state, but Omaha. That is a system that everybody is together on. Then Omaha has their own school system. The counties have their own system, except for Douglas and Lancaster County, and then MUD has their own system, and municipalities have their own system. So by system you make the application for the employer pickup. So the reason that you have an optional situation for the first couple of pages that you mentioned is because those are individual systems and we are authorizing them to take action to get the employer pickup, but it is a choice that they want to make. They've already asked for this authorization. They will do that. But we don't mandate it because we know they are going to do it, they are their own system, they can make their own determination. The county that you are talking about isn't all counties, it is only the individual system counties, that would be Lancaster has their own system, and Douglas County, and they've asked for that authorization. But the school...you can't allow that option because it's got to be everybody in it or nobody can be in it because it's got to be the whole system. That is why the determination by county, like Lancaster County says we're going to do it, that's it because everybody in that system does it. But for the school system it is the same way. Everybody in that school system has got to participate. Now let me again reiterate for you what LB 353 does. It