

SENATOR BEUTLER: With regard to the school system now, except for Omaha, explain to me once more how they are congregated?

SENATOR WESELY: All the school districts in the state are under one system, with one exception, the Omaha School District. They have their own system.

SENATOR BEUTLER: Okay, now who is it that makes...who is it that would make the decision whether to pick up these contributions in that statewide system that excepts Omaha? Who makes that decision?

SENATOR WESELY: Well there is a Public Employee Retirement Board that oversees the school system and some other systems. They would be ultimately the ones that would decide for the systems they oversee, so...

SENATOR BEUTLER: So they are the ones to whom you are giving the direction that they shall do it.

SENATOR WESELY: They shall, yes.

SENATOR BEUTLER: Now tell me why it is that they...that we cannot tell them you may. Tell me again why we can't tell them that.

SENATOR WESELY: The "shall"...well, we have to mandate that all...we are not...I guess we are mandating that the PERB board has to do it. They already said they want to. But we are, more than that, mandating that all those school districts shall pick it up because you've got...you know how many school districts we have, I've been talking about 900 some school districts with that one exception being Omaha. So we've got to mandate...

SENATOR BEUTLER: Does the...let me ask you one more question. Does that board have the authority presently to mandate how these systems are going to participate in the system?

SENATOR WESELY: No, that is why they need this bill. If we don't have this bill to mandate the school districts to participate then they can't go to the IRS and ask for this exemption.