

visit about for a long time and I think that there are sound policy reasons and sound fiscal reasons for us taking this approach in allowing the school districts, at their additional expense if any, and I think their additional expense is going to be minimal, to adopt this new format in teacher retirement. Now, I think first of all, it is clearly best for the system. I think we're going to have a system that is going to work better if we have an escape valve and if we allow the teachers who are 60 years old or 62 years old who want to retire early the opportunity to do that. I think in the end it is going to be best for the children if, as Senator Remmers indicates, we don't have burned out teachers who are being forced to continue teaching for the thirty-first or the thirty-second or the thirty-third year of their careers. Now, from a fiscal point of view the impact of this to the state is going to be minimal. It is going to affect a couple of the state institutions, the School for the Blind and the School for the Deaf. Otherwise, the fiscal impact is going to be totally with the local school systems to apply as they want and I think it is important to point out, and we have some examples here that can be circulated, that you can certainly make a good argument that it is going to benefit a school system to allow a teacher to opt for retirement at age 60 rather than to require that teacher to stay until 65 because the ultimate payout by the retirement system is going to be less. It is going to be less because at age 60 the teacher's salary retirement is going to be less and at age 60 the teacher's contributions to the system are going to be less so that the contributions they will expect to receive until their expected death at the age of approximately 80 will in fact be less. In other words, if the teacher is allowed to retire at 60, the total benefits to age 80 will be less than if the teacher is kept on until he is 65. Now I know the school districts are going to accomplish an additional savings as a result. If a teacher opts voluntarily to retire at age 60 and he or she is making \$30,000 a year, why then the school district is entitled to hire a new teacher at \$15,000 a year. Now I know that to some of the school systems around Omaha having the discretion to do this is extremely important, and I know it has been extremely important to school systems in Omaha to have this legislation passed for many, many years because I have heard about it for many, many years. And those school board members and those actuarial experts who have spent a lot of time analyzing this issue I think clearly know what