Bill Biven, Jr. January 24, 2023 402-471-0054

LB 160

Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)						
	FY 202	3-24	FY 2024-25			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE		
GENERAL FUNDS						
CASH FUNDS						
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL FUNDS						

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

LB160 amends §23-2332 & §23-2332.01 to change contribution rates relating to supplemental retirement plans for certain law enforcement personnel under the County Employees Retirement Act from 2% to 3% for counties with a population of more than 85,000 & from 1% to 2% for counties that have a population of 85,000 or less.

No Fiscal Impact

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

LB: 160	AM:	AGENCY/POLT. SUB: Nebraska P	ublic Employees Retirement Systems (NPERS)		
REVIEWED B	BY: Ryan Walton	DATE: 1/20/2023	PHONE: (402) 471-4174		
COMMENTS: The Nebraska Public Employees Retirement Systems (NPERS) assessment of no fiscal impact from LB 160 appears reasonable. The actuarial study conducted by Cavanaugh Macdonald Consulting, LLC indicates the normal costs and actuarial accrued liability increases are offset by the additional employee contributions which will prevent negative impact to the funding of the County Cash Balance Retirement Plan.					

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

LB: 160	AM:	AGENCY/POLT. SUB: Nebraska Association of County Officials (NACO)				
REVIEWED BY:	Ryan Walton	DATE: 1/20/2023	PHONE: (402) 471-4174			
COMMENTS: No basis to disagree with the Nebraska Association of County Officials assessment of fiscal impact						
from LB 160.						

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾ 160			FISCAL NOTE		
State Agency OR Political Subdivision Name: ⁽²⁾	Nebraska Association of County Officials (NACO)				
Prepared by: ⁽³⁾ Elaine Menzel	Date Prepared: ⁽⁴⁾	1/11/2023 Phone	e: (5) 402.434.5660		
ESTIMATE PROVI	DED BY STATE AGEN	NCY OR POLITICAL SUBD	IVISION		
FY	2023-24	FY 6	2024-25		
EXPENDITURES		EXPENDITURES	<u>REVENUE</u>		
GENERAL FUNDS					
CASH FUNDS					
FEDERAL FUNDS					
OTHER FUNDS					
TOTAL FUNDS					

Explanation of Estimate:

LB 160 would increase the current employee's contribution rate by 1% (to 3% in counties with in excess of 85,000 population and 2% in counties 85,000 and under population) with an equal matching contribution by the employers for a total increase of 2%.

Higher costs are projected to offset the higher contributions into the Plan. Basically, the cost of the increased benefits is expected to be nearly the same as the additional contributions. The proposed changes within LB 160 are not anticipated to negatively impact the County Cash Balance Plan.

BREAKI	DOWN BY MAJ	OR OBJECTS O	F EXPENDITURE	
Personal Services:				
	NUMBER OF	POSITIONS	2023-24	2024-25
POSITION TITLE	23-24	<u>24-25</u>	EXPENDITURES	EXPENDITURES
	·	·		
		. <u> </u>		
Benefits				
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL				

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB ⁽¹⁾ 160 (revised	l) 1/20/2023			FISCAL NOTE		
State Agency OR Political	Subdivision Name: ⁽²⁾	Nebraska Public Employees Retirement Systems (NPERS)-085				
Prepared by: ⁽³⁾ Teres	sa Zulauf	Date Prepared: ⁽⁴⁾	1/17/2023 Phone: (5	5) 402-471-7745		
	ESTIMATE PROVI	DED BY STATE AGEN	NCY OR POLITICAL SUBDIV	ISION		
	FV 6	2023-24	FY 202	04-05		
	EXPENDITURES	<u>REVENUE</u>	EXPENDITURES	<u>REVENUE</u>		
GENERAL FUNDS	0		0			
CASH FUNDS			<u> </u>			
FEDERAL FUNDS			<u> </u>			
OTHER FUNDS			<u> </u>			
TOTAL FUNDS 0			0			

Explanation of Estimate:

LB 160 will change the rates relating to supplemental retirement plans for certain law enforcement under the County Employees Retirement Act.

The bill increases the additional employee contribution percentage.

The additional contributions are sufficient to cover the increased costs resulting from the higher benefit payments per a study conducted by Cavanaugh Macdonald Consulting, LLC.

NPERS will also need to update educational materials and forms utilized by members. The cost to update the materials and forms will be minimal and can be absorbed with the current budget.

No fiscal impact to NPERS Agency 085 operations expenditures.

BREAKI	OOWN BY MAJ	OR OBJECTS O	F EXPENDITURE	
Personal Services:				
POSITION TITLE	NUMBER OF <u>23-24</u>	POSITIONS <u>24-25</u>	2023-24 <u>EXPENDITURES</u>	2024-25 <u>EXPENDITURES</u>
Benefits				
Operating				
Travel				
Capital outlay				
Aid				
Capital improvements				
TOTAL				