

One Hundred Third Legislature - First Session - 2013

Introducer's Statement of Intent

LB305

Chairperson: Senator Jeremy Nordquist

Committee: Nebraska Retirement Systems

Date of Hearing: February 12, 2013

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The changes in LB 305 are structured to address both short-term and long-term funding obligations in the Nebraska State Patrol Retirement System.

To address long-term funding obligations, the bill creates a new tier of reduced benefits for patrol officers who begin work for the first time on or after July 1, 2013. The new tier reduces the cost-of-living adjustment (COLA) from 2.5% to 1% and increases from 3 to 5, the number of years used to determine final average salary for purposes of calculating patrol officers' retirement benefits.

The benefits remain unchanged for patrol officers who are members of the Nebraska State Patrol Retirement Plan prior to July 1, 2013.

To address short-term funding obligations, the amortization method is changed from level dollar to level percent of pay beginning with the July 1, 2013 state contribution payment.

Principal Introducer: _____

Senator Jeremy Nordquist