

One Hundred Third Legislature - Second Session - 2014

Introducer's Statement of Intent

LB929

Chairperson: Senator Jeremy Nordquist

Committee: Nebraska Retirement Systems

Date of Hearing: January 30, 2014

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

Federal law requires police and firefighter retirement benefit calculations be calculated on a “sex-neutral basis” using actuarial and mortality assumptions that are sex-neutral. For first class cities in Nebraska, police and firefighter retirement benefits are prescribed in state statute. All other Nebraska cities have a general authority to provide and administer such retirement but do not have specifics spelled out in state law. For first class cities, the sex-neutral language for police and firefighter retirement benefits was added to the Nebraska statutes in 1992.

LB 929 adds language that further defines “sex-neutral basis” to mean either a product or calculation obtained through an insurance or annuity company that uses a blended, non-gender specific rate for assumptions and conversion rates for a particular participant – or, when that is not available, the city may determine a calculation that adds together the mean of a male-specific benefit calculation and the mean of a female-specific benefit calculation, each applicable to a particular participant, then dividing by two.

Principal Introducer: _____

Senator Mike Gloor