



Ninety-Ninth Legislature - First Session - 2005
Introducer's Statement of Intent
LB 366

Chairperson: Elaine Stuhr
Committee: Nebraska Retirement Systems
Date of Hearing: February 16, 2005

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

LB 366 would amend Neb. Rev. Stat. §§ 23-2306 and 84-1307, to require enrollment and participation immediately upon employment of a member, in both the County Employees Retirement System and the State Employee Retirement System, respectively. Currently, permanent fulltime and part-time public employees participate in these retirement plans only after the employee has been employed for twelve months with a county or state employer.

In addition, LB 366 would increase the amount a state employee would contribute to his or her employee retirement account. Under this proposal, an employee would contribute 4.8% of his or her monthly compensation to an employee retirement account throughout the full year. Currently, a state employee contributes 4.33% of his or her monthly compensation until such time as he or she has paid during any calendar year a total of \$864.00 (equivalent to receiving compensation of \$19,954), after which time an employee then contributes 4.8% of his or her monthly compensation to an employee retirement account.

LB 366 would increase the total annual amount contributed by the employer, State of Nebraska, because under current law the State matches employee retirement contributions in an amount equal to 156% of the employee contribution. This matching retirement contribution is paid by the State into an employer retirement account for the benefit of a state employee.

Principal Introducer:

Elaine Stuhr, Chairperson
Committee on Nebraska Retirement Systems