



Ninety-Ninth Legislature - First Session - 2005
Introducer's Statement of Intent
LB 368

Chairperson: Elaine Stuhr
Committee: Nebraska Retirement Systems
Date of Hearing: January 20, 2005

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

Legislative Bill 368 would temporarily increase the current employee and employer retirement contribution rates under the School Employees Retirement Act. Neb. Rev. Stat. §§ 79-901 to 79-977.03.

LB 368 would raise the current employee rate from 7.25% to 7.9% for a period of two years. Because the employer matches the employee contribution rate with a 101% matching rate, the temporary employee contribution increase would also raise the employer contribution rate from approximately 7.32%, to approximately 7.98% for the same two-year period. This two-year period would begin on July 1, 2005, and conclude on June 30, 2007.

The purpose for an increased employee contribution rate is because the State Actuary has indicated that there is a need for an additional contribution requirement of approximately 1.25% of pay, which represents \$15,415,949.

Principal Introducer: _____
Elaine Stuhr, Chairperson
Committee on Nebraska Retirement Systems