



Ninety-Ninth Legislature - First Session - 2005
Introducer's Statement of Intent
LB 503

Chairperson: Elaine Stuhr
Committee: Nebraska Retirement Systems
Date of Hearing: February 3, 2005

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

Legislative Bill 503 proposes to make changes to the operation of both the Nebraska Public Employees Retirement Board ('PERB') and the Nebraska Investment Council ('NIC').

The bill, in part, makes changes to Neb. Rev. Stat. §§ 23-2312, 24-704, 79-906, 81-2021, 84-1305.01, and 84-1512. These changes would require the director of the Nebraska Public Employees Retirement System ('NPERS') to carry out random testing procedures in order to verify the accuracy of employee information submitted by employing agencies and political subdivisions included within the retirement systems administered by NPERS.

LB 503 would increase the required financial and investment experience necessary in order for the governor to appoint a member to the NIC. It would also raise per diem amounts paid to members on both PERB and NIC.

In addition, the bill would make changes to the annual reports filed by both PERB and NIC. These changes include the type of information provided in each annual report and the timing as to when each report will be presented to the Nebraska Retirement Systems Committee. This provision would also require additional disclosure of investment, administrative, and recordkeeping fees collected by both PERB and NIC.

LB 503 updates the language describing the process by which the Legislative Council may fund a benefit adequacy study as an expense of the retirement systems.

Finally, the bill would insert language to outline the duties and responsibilities of the internal auditor employed by PERB. Both the internal auditor and the legal counsel employed by PERB would be included under the State Personnel System.

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