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FLOOR DEBATE

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operation of both the Nebraska Public Employees Retirement Board, known as PERB, and the Nebraska Investment Council, the retirement systems administered by PERB, and also the OPS Class V retirement system. I will talk briefly about each proposal. This information may seem a bit boring, as it is very technical, but I feel it is very important to include this information as part of the floor record. First, LB 1019 would change the county, state, and Patrol plans annuity end dates so that the last annuity payment received by a member would be at the end of the calendar month in which a member dies, or in accordance with the payment option chosen by such member. Currently, when a member dies NPERS, the agency administering the retirement plans, will require a portion of the annuity to be repaid, representing the days of the month following a member's death. Next, the bill clarifies the retirement vesting provisions for the state and county plans. Four years ago, with the adoption of LB 687 in 2002, the vesting period was changed from five years to three years of participation in the retirement plans. An Attorney General Opinion issued thereafter interpreted the law to permit a three-year vesting period after employment, and not four. Since that Opinion was issued, NPERS has followed the three-year vesting period. With that...what this classification intends is to incorporate the current practice of vesting into statute, which will allow for a three-year vesting period, comprising a one-year waiting period after hiring and then two years of participation, for a total of three years after an employee begins employment. LB 366, currently on Final Reading, will eliminate this one-year period, and if it is adopted, I will bring an amendment to LB 1019 on Select File to harmonize this bill with the provisions found in LB 366. Next, LB 1019 would change the date on which a term of appointment would end for Nebraska Investment Council members. Currently, an appointed member's term ends on September 18 of each year after a member serves a five-year term. LB 1019 proposes a December 31 ending date to better coincide with the member's confirmation by the Legislature. The bill also requires the annual report submitted by the Class V retirement system which represents the Omaha Public Schools be submitted to the Retirement Committee by March 15 of each year, and it coincides with the release of both NPERS and the Investment Council reports. The bill also would change a provision