

PREPARED BY: Bill Biven, Jr.
 DATE PREPARED: February 17, 2021
 PHONE: 402-471-0054

LB 146

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$59,159		\$54,700	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$59,159		\$54,700	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB146 amends §79-902 and §79-978 and clarifies terms concerning the transfer of management of Omaha School Employees Retirement System (OPERS) to the Public Employees Retirement Board (PERB).

The Nebraska Public Employees Retirement System (NPERS) will need to hire an auditor to review and verify retirees who are not providing service to Omaha Public Schools (OPS) for more than eight days in a calendar month. FY 2021-22 expenses include \$5,000 in operating expenses for the new auditor and \$54,159 in salary/benefits. FY 2022-23 expenses include \$54,700 for the new auditor's salary/benefits.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 146	AM:	AGENCY/POLT. SUB: Public Employees Retirement Systems
REVIEWED BY: Neil Sullivan	DATE: 2/3/2021	PHONE: (402) 471-4179
COMMENTS: No basis to disagree with the Public Employees Retirement Systems assessment of fiscal impact from LB 146.		

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2021

LB⁽¹⁾ 146

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Public Employees Retirement Systems (NPERS)

Prepared by: ⁽³⁾ Teresa Zulauf Date Prepared: ⁽⁴⁾ 1-19-2021 Phone: ⁽⁵⁾ 402-471-7745

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	\$59,158.42	_____	\$54,700.00	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$59,158.42</u>	_____	<u>\$54,700.00</u>	_____

Explanation of Estimate:

There will be an impact to the staffing level at NPERS. An increase in PSL is requested.

LB 146 amends "termination of employment" definition in the School Plan to define intermittent substitute and voluntary service during the 180 days following retirement to be more than eight days in a calendar month. Any amount of service on a day will equal one day when counting towards the eight days.

LB 146 also amends multiple definitions in the Omaha School Employees Retirement System (OSERS) Plan, including "termination of employment". OSERS Plan definition of termination of employment is different than the School Plan definition. Other definitions are added or amended in LB 146. Some of those are the definition of employee, participation, regular employee, etc.

NPERS requests an Auditor (one) to review and verify retirees are not providing service to a school employer for more than eight days in a calendar month. The additional increase to PSL would be \$41,660.32 and an additional \$12,498.10 for estimated benefit costs. We would also need an additional \$5,000 for operating start-up costs for an additional teammate.

Fiscal Year 23 includes a 1% increase ($\$41,660.32 + 12,498.10 = \$54,158.42 \times 1.01 = \$54,700$)

The total request for FY 22 is \$59,158.42 and FY 23 the total request is \$54,700.00.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Benefits	_____	_____	_____	_____
Operating			_____	_____
Travel			_____	_____
Capital outlay			_____	_____
Aid			_____	_____
Capital improvements			_____	_____
TOTAL			_____	_____