

## LEGISLATIVE BILL 42

Approved by the Governor February 26, 2015

Introduced by Nordquist, 7.

A BILL FOR AN ACT relating to retirement; to amend section 13-2402, Revised Statutes Cumulative Supplement, 2014; to change provisions relating to annual reports; and to repeal the original section.  
Be it enacted by the people of the State of Nebraska,

Section 1. Section 13-2402, Revised Statutes Cumulative Supplement, 2014, is amended to read:

13-2402 (1) On or before November 1, 2014, each political subdivision which offers a defined benefit plan pursuant to section 401(a) of the Internal Revenue Code which was open to new members on January 1, 2004, shall submit written notification to the Nebraska Retirement Systems Committee of the Legislature that it offers such a plan.

(2) Beginning November 15, 2014, and each ~~October~~ November 15 thereafter, the governing entity of the retirement plan of each political subdivision that offers such a defined benefit retirement plan shall file with the committee a copy of the most recent annual actuarial valuation of the retirement plan. The valuation report shall be filed electronically.

(3)(a) Beginning November 15, 2014, and each ~~October~~ November 15 thereafter, the governing entity of the retirement plan of each political subdivision that offers such a defined benefit retirement plan shall file a report with the committee if either of the following conditions exists as of the latest annual actuarial valuation of the retirement plan: (i) The contributions do not equal the actuarial requirement for funding; or (ii) the funded ratio is less than eighty percent.

(b) The report shall include, but not be limited to, an analysis of the conditions and a recommendation for the circumstances and timing of any future benefit changes, contribution changes, or other corrective action, or any combination of actions, to improve the conditions. The committee may require a governing entity to present its report to the committee at a public hearing. The report shall be submitted electronically.

(4) If a governing entity does not file the reports required by subsection (2) or (3) of this section with the committee by ~~October~~ November 15, the Auditor of Public Accounts may audit, or cause to be audited, the political subdivision offering the retirement plan. All costs of the audit shall be paid by the political subdivision.

(5) For purposes of this section, political subdivision means any local governmental body formed and organized under state law and any joint entity or joint public agency created under state law to act on behalf of political subdivisions.

Sec. 2. Original section 13-2402, Revised Statutes Cumulative Supplement, 2014, is repealed.