

# One Hundred Fifth Legislature - First Session - 2017

## Introducer's Statement of Intent

### LB31

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**Chairperson: Senator Mark Kolterman**

**Committee: Nebraska Retirement Systems**

**Date of Hearing: February 27, 2017**

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

Under LB 31, for employees hired on or after July 1, 2017, creditable service includes only the days and types of leave itemized in the bill which includes: working days, used accrued sick days, used accrued vacation days, federal and state holidays and jury duty leave for which the member is paid full compensation by the employer. For employees hired prior to July 1, 2017, creditable service continues to include leave days for which the employee is paid regular wages as part of the employee's agreement with the employer. The change ensures that the types of leave that may be counted towards creditable service are uniform for all school plan members in all school districts.

LB 31 also eliminates an employer's ability in the School Employees Retirement Act, to purchase creditable service for a member. This change creates uniformity among the school districts by allowing only members to elect whether or not to purchase creditable service. When employers are able to purchase creditable service, this benefit can be unequally bestowed on members and result in disproportionate retirement benefits for plan members with similar years of service and salary.

**Principal Introducer:** \_\_\_\_\_

Senator Mark Kolterman