

One Hundred Seventh Legislature - First Session - 2021

Introducer's Statement of Intent

LB16

Chairperson: Senator Mark Kolterman

Committee: Nebraska Retirement Systems

Date of Hearing: February 9, 2021

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

LB 16 adds an annual contribution to help fund the Judges Retirement System. Currently the Judges Retirement System is funded from member contributions and earmarked court fees. Revenue from court fees has been declining consistently over the past decade and saw a substantial drop recently due to the pandemic of \$400,000 in the fiscal year ending June 30, 2020 and \$300,000 decrease in the first six months of the fiscal year that began July 1, 2020. This unpredictable funding stream makes it challenging to project, and therefore budget for any actuarially required contributions, which are the responsibility of the State of Nebraska.

LB 16 adds an annual contribution from the State, beginning July 1, 2021, of 4% of total compensation of the members of the Judges Retirement System, which increases to 6% beginning July 1, 2023.

Principal Introducer: _____

Senator Mark Kolterman