

be. But again I want you to definitely understand there's a difference in the employees contribution. For example, in the state retirement, in 1951, it was 5 percent of the first \$3,600, Omaha it was 5 percent of \$5,000. So, in one way it's hard for me to stand up and defend one system and not the other. But Omaha would not be offering this if it was not fully funded and would not create, or if it would create an unfunded liability. So there is a difference. But you folks will have to make up your mind, and I'm sure Senator Horgan will speak on this a little bit more. There is a difference, but that's what the committee amendments do, they would remove the...going to...from 1.65 to 1.70, and would reverse back to the same as the state employees. And that's simply what the amendments do.

SPEAKER BAACK: Thank you, Senator Nelson. Senator Horgan, on the committee amendments.

SENATOR HORGAN: Thank you, Mr. Speaker and members. As Senator Nelson said, I rise in opposition to the committee amendments to LB 1001. And I think Senator Nelson did a good job explaining why the committee amendments ought not to be adopted. We have two retirement systems in Nebraska for public teachers, and we have the state system, which is under statute, and we have the Omaha system, which is under statute. And the Omaha system predates the state system, and that's why Omaha has its own separate system. And the Omaha system is funded by the employees and by the local school district. The state system is separately funded by the teachers in those other districts and the school districts, but the statutes treat them differently. And the Omaha system and the school system come to the Legislature separately and ask for increases in their factors for retirement when they're able to actuarially substantiate that they have the money in the system to do that. That has been the procedure since at least 1951, and is the procedure in 1992. The committee amendment, for some reason, said, and the discussion in the committee, as I understand it, was, well if we give it to the Omaha system then the state system is going to come in. And that very well may be true. But if the state system can come in and substantiate actuarially that they have the money to increase the factor, then they ought to be able to do that. The Omaha system comes in now, has actuarially substantiated that they can afford an increase in the factor, it's fully funded, there's no increase in tax dollars, there's no increase in the commitment of the local school district, and so I really am at a loss as to why the committee believed that