

January 11, 1995

may not wish to move forward with.

PRESIDENT ROBAK: Thank you, Senator Withem. Senator Pedersen.

SENATOR PEDERSEN: Madam President, members of the Legislature, Senator Wickersham, would you respond to a question, please?

PRESIDENT ROBAK: Senator Wickersham.

SENATOR WICKERSHAM: Yes.

SENATOR PEDERSEN: Who would pay for the actuarial study?

SENATOR WICKERSHAM: Well, if it's a proposal from the Legislature I believe that the Legislature ought to pay for that out of General Funds. Now we have recently completed a large complex study of the retirement systems and that was paid for out of Retirement System funds. But if you analyze what happens within the systems when they pay for actuarial studies, the State of Nebraska, out of General Funds can ultimately be the payor except for the defined contribution systems and I don't believe it's appropriate for us to take funds away from the defined contribution systems to pay for potential changes in systems for example for the judges, for the State Patrol, for the School Retirement System for example.

SENATOR PEDERSEN: How about for private outside of government? Who would pay for them if it was done for a private business, if you were checking? That would only be done in them areas? Is that what you're saying?

SENATOR WICKERSHAM: That is correct because 2(c) says that we're only going to pay for changes that for the plans that are administered by the state. Now we have general jurisdiction over some other plans, firefighters for example...

SENATOR PEDERSEN: Yes, that's what I was...

SENATOR WICKERSHAM: ...some police officers, et cetera.

SENATOR PEDERSEN: But only those that are administered by the state? My experience has been that actuarial studies cost quite a bit of money.

SENATOR WICKERSHAM: They can.