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FLOOR DEBATE

February 16, 2005 LB 503

meeting. Given the time contributed by each member, it was reasoned that this increase was appropriate. In addition, the bill would make changes to the annual reports filed by both PERB and the Investment Council. These changes include the type of information provided in each annual report and the timing as to when each report will be presented to the Nebraska Retirement Systems Committee. This provision would also require additional disclosure of investment, administrative and recordkeeping fees collected by both PERB and the Investment Council. Such disclosures will give employee members better information regarding the types and the amounts of each fee. LB 503 also updates the statutory language describing the process by which the Legislative Council may fund a benefit adequacy study as an expense of the retirement systems. And finally, the bill would insert language to outline the duties and responsibilities of the internal auditor employed by PERB. Both the internal auditor and the legal counsel employed by PERB would be included under the state personnel system. In summary, LB 503 makes a number of changes to both PERB and the Investment Council. These changes help address issues raised in prior audits, as well as updating certain provisions in order to ensure the continued proper operation of both agencies. There is an emergency clause attached because some of these changes will need to begin at the state of the state's fiscal year on July 1, 2005. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Stuhr. As stated by the Clerk, there are committee amendments. Senator Stuhr, you're recognized to open on AM0380.

SENATOR STUHR: The committee amendment, AM0380, would delay the implementation of the required auditing of employer information until January 1, 2006. The amendment would also delay the compliance audit completion date contained within the bill until December 31, 2007. The reason for such delays is to give the agency additional time to implement the procedures required by LB 503. In addition, AM0380 also would amend four additional retirement bills into LB 503. Each one of these bills was passed out of committee by a unanimous vote, and during the hearing on each bill there were no testifiers speaking in opposition to any of the proposals. So I will briefly just