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LB 371

Revision: 01

Revised due to misstatement

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	160,800			
CASH FUNDS			220,373	220,373
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	160,800		220,373	220,373

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 371 establishes the Nebraska Peace Officer Retirement Act to be administered by the Public Employees Retirement Board. Peace Officer is defined as any town marshal, chief of police, police officer, sheriff or deputy sheriff and conservation officers of any state agency or political subdivision except for the cities of Lincoln and Omaha and Douglas County. LB371 establishes a defined benefit plan for peace officers including an annual cost-of-living increase and a deferred retirement option plan. Membership in the plan is to begin January 1, 2009. An actuarial study is needed to determine the cost of the proposed retirement plan. The Nebraska Public Employers Retirement System (NPERS) estimates the cost of the actuarial study to be \$60,000.

NPERS also estimates the cost to program the automated system to be \$100,800 and on-going operating costs at \$440,746. The estimated costs may be low. The cost associated with the actuarial study and the cost of programming is assigned to the General Fund because these would be up-front costs. The on-going operating costs are assigned to Cash Funds and would be paid from the assets of the plan.