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LB 612

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

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

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

LB612 relates to the School Employees Retirement Plan and changes the definition of compensation for members on or after July 1, 2007. LB612 changes the definition of compensation by adding another exclusion to the 7% per year cap in the increase in the members' compensation base during the last 60 months prior to retirement. LB612 exempts increased compensation as a result of an additional educational degree from the 7% cap.

The Nebraska Employee Retirement System (NPERS) indicates no fiscal impact to the agency. There appears to be minimal impact to plan members.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Gary Bush	1/30/07	PHONE 471-2526
COMMENTS			
RETIREMENT BOARD – Agree with agency's estimate of impact. The impact to the School Employees Retirement System would be difficult to determine without an actuarial study. A change in the definition of compensation would increase the amount of contributions being made to the plan but would also increase the future normal cost associated with a higher level of compensation.			