

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 679

Introduced by Avery, 28

Read first time January 17, 2007

Committee: Nebraska Retirement Systems

A BILL

1 FOR AN ACT relating to the University of Nebraska; to amend
2 section 85-106, Reissue Revised Statutes of Nebraska;
3 to eliminate the cap on retirement contributions for
4 university employees as prescribed; and to repeal the
5 original section.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 85-106, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 85-106 The Board of Regents shall have the power:

4 (1) To enact laws for the government of the university;

5 (2) To elect a president, vice presidents, chancellors,
6 vice chancellors, deans, associate deans, assistant deans,
7 directors, associate directors, assistant directors, professors,
8 associate professors, assistant professors, instructors, other
9 members of the faculty staff, and employees generally of the
10 university and to provide for academic tenure for professors,
11 associate professors, and assistant professors;

12 (3) To prescribe the duties of such persons not
13 inconsistent with section 85-1,105;

14 (4) To fix their compensation;

15 (5) To provide, in its discretion, retirement benefits
16 for present and future employees of the university, subject to the
17 following:

18 (a) The cost of such retirement benefits shall be funded
19 in accordance with sound actuarial principles with the necessary
20 contributions for both past service and future service being
21 treated in the university budget in the same way as any other
22 operating expense;

23 (b) The university contribution under any such retirement
24 plan shall be (i) the rate established by the Board of Regents and
25 ~~not more than eight percent of each university employee's full-time~~

1 ~~salary or wage earnings for any calendar year before any agreement~~
2 ~~for reduction of salary or wage earnings~~ and (ii) pursuant to an
3 agreement for reduction of salary or wage earnings, the amount of
4 the reduction of salary or wage earnings;

5 (c) Each employee's contribution shall be the rate
6 established by the Board of Regents and shall not be required
7 to exceed the university's contribution under subdivision (5) (b) (i)
8 of this section, except that in lieu of making such contribution,
9 each such employee may enter into an agreement for reduction of
10 salary or wages for the purchase by the Board of Regents of annuity
11 contracts for such employee, under the provisions of the Internal
12 Revenue Code, but the amount of the reduction of salary or wages
13 allowable under this subdivision may not include credit for service
14 prior to March 29, 1972;

15 (d) The retirement benefits of any employee for service
16 prior to September 1, 1961, shall be those provided under the
17 retirement plan then in force, which benefits shall not be
18 abridged, except that such retirement benefits shall become fully
19 vested in the event of an employee's termination of employment if
20 such employee has at least ten years of service at the date of
21 termination;

22 (e) Continued contributions to the system until the date
23 of retirement as provided in section 85-606; and

24 (f) The investment of retirement funds shall be pursuant
25 to the Nebraska Capital Expansion Act and the Nebraska State Funds

1 Investment Act, but no change in the type of investment of such
2 funds shall be made without the prior approval of the Board of
3 Regents;

4 (6) To equalize and provide for uniform benefits for
5 all present and future employees, including group life insurance,
6 group hospital-medical insurance, group long-term disability income
7 insurance, and retirement benefits;

8 (7) To provide, through the University Extension
9 Division, for the holding of classes at various localities
10 throughout the state avoiding unnecessary duplication of courses
11 offered by other educational institutions in such localities and
12 consistent with the orders of the Coordinating Commission for
13 Postsecondary Education issued pursuant to sections 85-1413 and
14 85-1414;

15 (8) To remove the president, vice presidents,
16 chancellors, vice chancellors, deans, associate deans,
17 assistant deans, directors, associate directors, assistant
18 directors, professors, associate professors, assistant professors,
19 instructors, other members of the faculty staff, and employees
20 generally, when the interests of the university require it; and

21 (9) To pay expenses for recruitment of academic,
22 administrative, professional, and managerial personnel.

23 The Board of Regents shall institute a continuing program
24 of preventive maintenance and a program of deferred maintenance
25 consistent with the provisions of the Deferred Building Renewal

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1 Act and shall consult with the Nebraska Arts Council and acquire
2 works of art for the original construction of any public building
3 under its supervision consistent with sections 82-317 to 82-329 and
4 85-106.01 to 85-106.03.

5 Sec. 2. Original section 85-106, Reissue Revised Statutes
6 of Nebraska, is repealed.