

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 42**

FINAL READING

Introduced by Nordquist, 7.

Read first time January 08, 2015

Committee: Nebraska Retirement Systems

- 1 A BILL FOR AN ACT relating to retirement; to amend section 13-2402,
- 2 Revised Statutes Cumulative Supplement, 2014; to change provisions
- 3 relating to annual reports; and to repeal the original section.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-2402, Revised Statutes Cumulative Supplement,  
2 2014, is amended to read:

3 13-2402 (1) On or before November 1, 2014, each political  
4 subdivision which offers a defined benefit plan pursuant to section  
5 401(a) of the Internal Revenue Code which was open to new members on  
6 January 1, 2004, shall submit written notification to the Nebraska  
7 Retirement Systems Committee of the Legislature that it offers such a  
8 plan.

9 (2) Beginning November 15, 2014, and each October ~~November~~ 15  
10 thereafter, the governing entity of the retirement plan of each political  
11 subdivision that offers such a defined benefit retirement plan shall file  
12 with the committee a copy of the most recent annual actuarial valuation  
13 of the retirement plan. The valuation report shall be filed  
14 electronically.

15 (3)(a) Beginning November 15, 2014, and each October ~~November~~ 15  
16 thereafter, the governing entity of the retirement plan of each political  
17 subdivision that offers such a defined benefit retirement plan shall file  
18 a report with the committee if either of the following conditions exists  
19 as of the latest annual actuarial valuation of the retirement plan: (i)  
20 The contributions do not equal the actuarial requirement for funding; or  
21 (ii) the funded ratio is less than eighty percent.

22 (b) The report shall include, but not be limited to, an analysis of  
23 the conditions and a recommendation for the circumstances and timing of  
24 any future benefit changes, contribution changes, or other corrective  
25 action, or any combination of actions, to improve the conditions. The  
26 committee may require a governing entity to present its report to the  
27 committee at a public hearing. The report shall be submitted  
28 electronically.

29 (4) If a governing entity does not file the reports required by  
30 subsection (2) or (3) of this section with the committee by October  
31 ~~November~~ 15, the Auditor of Public Accounts may audit, or cause to be

1 audited, the political subdivision offering the retirement plan. All  
2 costs of the audit shall be paid by the political subdivision.

3 (5) For purposes of this section, political subdivision means any  
4 local governmental body formed and organized under state law and any  
5 joint entity or joint public agency created under state law to act on  
6 behalf of political subdivisions.

7 Sec. 2. Original section 13-2402, Revised Statutes Cumulative  
8 Supplement, 2014, is repealed.