

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 805**

Introduced by Mello, 5.

Read first time January 07, 2016

Committee: Nebraska Retirement Systems

- 1 A BILL FOR AN ACT relating to retirement benefits and plans; to amend
- 2 section 13-2402, Revised Statutes Supplement, 2015; to require an
- 3 experience study by certain political subdivisions and a report
- 4 filing as prescribed; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-2402, Revised Statutes Supplement, 2015, is  
2 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) Each political subdivision which offers a defined benefit plan  
10 pursuant to section 401(a) of the Internal Revenue Code which was open to  
11 new members on January 1, 2004, shall conduct an experience study to  
12 review the actuarial assumptions used to determine funding needs for its  
13 defined benefit plan at least once every four years and, beginning  
14 October 15, 2016, and each October 15 thereafter, electronically file a  
15 copy of the most recent actuarial experience study with the Nebraska  
16 Retirement Systems Committee of the Legislature.

17 (3 2) Beginning November 15, 2014, and each October 15 thereafter,  
18 the governing entity of the retirement plan of each political subdivision  
19 that offers such a defined benefit retirement plan shall file with the  
20 committee a copy of the most recent annual actuarial valuation of the  
21 retirement plan. The valuation report shall be filed electronically.

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

29 (b) The report shall include, but not be limited to, an analysis of  
30 the conditions and a recommendation for the circumstances and timing of  
31 any future benefit changes, contribution changes, or other corrective

1 action, or any combination of actions, to improve the conditions. The  
2 committee may require a governing entity to present its report to the  
3 committee at a public hearing. The report shall be submitted  
4 electronically.

5 (5 4) If a governing entity does not file the reports required by  
6 subsection (2), ~~or (3), or (4)~~ of this section with the committee by  
7 October 15, the Auditor of Public Accounts may audit, or cause to be  
8 audited, the political subdivision offering the retirement plan. All  
9 costs of the audit shall be paid by the political subdivision.

10 (6 5) For purposes of this section, political subdivision means any  
11 local governmental body formed and organized under state law and any  
12 joint entity or joint public agency created under state law to act on  
13 behalf of political subdivisions.

14 Sec. 2. Original section 13-2402, Revised Statutes Supplement,  
15 2015, is repealed.