

Legislature - First Session - 2015

Introducer's Statement of Intent

LB467

Chairperson: Senator Jeremy Nordquist

Committee: Nebraska Retirement Systems

Date of Hearing: February 11, 2015

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Under LB 467, state patrol officers who become members of the Nebraska State Patrol Retirement Plan on and after July 1, 2015 will receive several reduced benefits.

The maximum cost-of-living adjustment (COLA) will be 1% unless the plan is 100% funded. If the plan is 100% funded, the Public Employees Retirement Board will have the authority to grant a supplemental COLA which will be in addition to the 1% COLA. The supplemental COLA may not exceed 1.5%.

The final retirement benefit will be calculated using an average of the five highest years of salary.

The contribution rates for officers who become members on and after July 1, 2015 will be 18%, which will be 100% matched by the state/employer.

LB 467 will also change requirements for officers who enter the Deferred Option Retirement Program (DROP) on and after July 1, 2020 by requiring officers to continue to make their required contributions to the plan while they are enrolled in DROP.

Principal Introducer: _____

Senator Jeremy Nordquist