

One Hundred Seventh Legislature - First Session - 2021

Introducer's Statement of Intent

LB147

Chairperson: Senator Mark Kolterman

Committee: Nebraska Retirement Systems

Date of Hearing: February 23, 2021

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

LB 147 is one of five bills introduced as a package related to a transfer of management of the Class V School Employees Retirement System to the Public Employees Retirement Board.

The purpose of LB 147 is to establish the transfer of duties and responsibilities for management of the Class V retirement system to the Public Employees Retirement Board effective September 1, 2024. LB 147 describes planning and tasks that must be completed to accomplish the transfer and identifies the school district of the Class V retirement system as the party responsible to pay all related costs of the Public Employees Retirement Board for its services and expenses related to the transfer of management.

The bill clarifies that the transfer of management is not a merger of the Class V retirement system with the School Employees retirement system or any other retirement system administered by the Public Employees Retirement Board. It further clarifies that the Class V school district remains solely financially responsible and liable for all funding requirements and obligations of the Class V retirement system during the transition and after the transfer of management to the Public Employees Retirement Board occurs.

LB 147 clearly establishes that the State of Nebraska, the Public Employees Retirement Board, and the Nebraska Public Employees Retirement System are not liable for any of the funding requirements for the Class V retirement system. It also establishes that beginning September 1, 2024, the State of Nebraska, the Public Employees Retirement Board, the Nebraska Public Employees Retirement Systems and their respective officers, members, employees, and agents are indemnified and held harmless by the Class V school district from all liabilities, claims, suits, losses, damages, and costs that arise from, or are reasonably related to, the conduct, decisions, actions, inactions, or omissions of the board of trustees, the Class V board of education, or the Class V school district or any consequences arising during the course of performing their respective duties and responsibilities for, or actions or services related to or in support of, the retirement system under the Class V School Employees Retirement Act until September 1, 2024.

Principal Introducer: _____

Senator Mark Kolterman