

ONE HUNDRED NINTH LEGISLATURE - FIRST SESSION - 2025
COMMITTEE STATEMENT
LB295

Hearing Date: Friday January 31, 2025
Committee On: Nebraska Retirement Systems
Introducer: Nebraska Retirement Systems
One Liner: Change provisions relating to the County Employees Retirement Act, the Judges Retirement Act, the Nebraska State Patrol Retirement Act, the School Employees Retirement Act, the State Employees Retirement Act, the Spousal Pension Rights Act, and the Public Employees Retirement Board

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 6 Senators Ballard, Clements, Conrad, Hardin, Juarez, Sorrentino
Nay:
Absent:
Present Not Voting:

Testimony:

Proponents: Trevor Fitzgerald, Nebraska Retirement Systems Committee Tag Herbek	Representing: Opening Presenter Nebraska Public Employees Retirement Systems
Opponents:	Representing:
Neutral:	Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 295 is a "clean-up" bill introduced at the request of the Nebraska Public Employees Retirement Systems (NPERS). The bill would amend various sections of statute governing state and county retirement plans administered by NPERS as well as statutes governing the Public Employees Retirement Board (PERB). Changes contained in the bill include:

- Providing a process for the PERB board to waive repayment of retirement benefits if the board determines that those benefits were the result of an inadvertent overpayment;
- Updating eligible types of identification documents under the retirement systems statutes;
- Including the Class V school employees retirement system (OSERS) in the definition of statewide public retirement system under the Spousal Pension Rights Act;
- Including leave of absence pay in the definition of compensation under the School Employees Retirement Act;
- Codifying the formula currently used by NPERS to determine whether a school employee is considered full-time or



part-time under the School Employees Retirement Act;

- Providing that lump sum payments to multiple beneficiaries under the School Employees Retirement Act can be made independently of each other;
- Clarifying the definition of early retirement under the Class V School Employees Retirement Act;
- Providing that employees deemed full-time under the Class V School Employees Retirement Act remain full-time employees once they are deemed as such;
- Eliminating the 60-day deadline for beneficiaries to elect a lump-sum distribution under the Class V School Employees Retirement Act;
- Ensuring that school employees who are members of the retirement system under the Class V School Employees Retirement Act receive leave with pay to attend preretirement planning programs sponsored by the PERB board;
- Authorizing the PERB board to offer online preretirement planning programs;
- Clarifying appropriations language regarding actuarially required contributions under the Nebraska State Patrol Retirement Act;
- Clarifying that the vice-chairperson of the PERB board may call a meeting of the board;
- Allowing for mileage reimbursement for members of the PERB board; and
- Prohibiting the use of any name, logo, symbol, or similar name, logo, or symbol related to a state retirement plan in written solicitations to plan members without PERB board approval.

Explanation of amendments:

AM 404 makes several changes to the underlying bill and incorporates the provisions of LB 420 (as amended by AM 386).

Changes made to LB 295 by AM 404 include:

- Extending the retirement application deadline under the School Employees Retirement Act from 120 days prior to the effective date of the member's initial benefit to 270 days prior to the effective date of the member's initial benefit;
- Striking changes in the bill regarding actuarially required contributions to the Nebraska State Patrol Retirement Act;
- Clarifying language regarding inadvertent overpayments to provide that such overpayments may only be waived by the PERB board if the repayment would cause a significant hardship;
- Changing the 60-day deadline for beneficiaries to elect a lump-sum distribution under the Class V School Employees Retirement Act to a 90-day deadline, rather than eliminating the deadline; and
- Correct a drafting error

LB 420 (as amended by AM 386) would strike language in Nebraska Revised Statute §24-703 requiring that state contributions to the Nebraska Retirement Fund for Judges occur by way of an administrative transfer by the State Treasurer.

LB 420 (as amended by AM 386) contains the emergency clause. LB 295 (as amended by AM 404) contains an operative date section providing that the emergency clause only applies to the provisions of LB 420 (as amended by AM 386).

Motion to advance LB 420 (as amended by AM 386):

Vote results: 6-0-0-0

Voting Aye: Senators Ballard, Clements, Conrad, Hardin, Juarez, Sorrentino

Voting Nay: None

Testifiers on LB 420:

Proponents:

Trevor Fitzgerald, Nebraska Retirement Systems Committee



Tag Herbek, Nebraska Public Employees Retirement Systems

Opponents:

None

Neutral:

Eric Asboe, Supreme Court

Beau Ballard, Chairperson

