

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 645**

Introduced by Ballard, 21; at the request of the Governor.

Read first time January 22, 2025

Committee: Nebraska Retirement Systems

- 1 A BILL FOR AN ACT relating to the School Retirement Fund; to amend
- 2 section 79-966, Reissue Revised Statutes of Nebraska; to change
- 3 state contributions; to harmonize provisions; and to repeal the
- 4 original section.
- 5 Be it enacted by the people of the State of Nebraska,

1           **Section 1.** Section 79-966, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           79-966 (1)(a) On the basis of all data in the possession of the  
4 retirement board, including such mortality and other tables as are  
5 recommended by the actuary engaged by the retirement board and adopted by  
6 the retirement board, the retirement board shall annually, on or before  
7 July 1, determine the state deposit to be made by the state in the School  
8 Retirement Fund for that fiscal year. The amount of such state deposit  
9 shall be determined pursuant to section 79-966.01. The retirement board  
10 shall thereupon certify the amount of such state deposit, and on the  
11 warrant of the Director of Administrative Services, the State Treasurer  
12 shall, as of July 1 of such year, transfer from funds appropriated by the  
13 state for that purpose to the School Retirement Fund the amount of such  
14 state deposit.

15           (b) Beginning July 1, 2016, the contingent state transfer described  
16 in this subsection shall be calculated as a percent of compensation of  
17 all members of the retirement system. For any year in which a deposit is  
18 made to the School Retirement Fund under this subsection, if the actuary  
19 for a retirement system provided for under the Class V School Employees  
20 Retirement Act determines that the actuarially required contribution  
21 rate, for the fiscal year of the retirement system that begins before the  
22 state deposit, exceeds the rate of all contributions required pursuant to  
23 the Class V School Employees Retirement Act, using the amortization  
24 period specified in section 79-966.01, the Class V district school board  
25 may request a public hearing of the Appropriations Committee of the  
26 Legislature to ask the state to transfer to the Class V school district  
27 for transfer to the funds of the retirement system provided for under the  
28 Class V School Employees Retirement Act an amount determined by  
29 multiplying the compensation of all members of such retirement system by  
30 the lesser of the percent of compensation transferred into the School  
31 Retirement Fund under this subsection or the percent of compensation of

1 the members of the retirement system provided for under the Class V  
2 School Employees Retirement Act needed to meet the actuarially required  
3 contribution rate for such system, using the amortization period  
4 specified in section 79-966.01. Any additional amount of transfer so  
5 calculated, recommended by the Appropriations Committee of the  
6 Legislature, and approved by the Legislature, shall be added to the two  
7 percent specified in subsection (2) of this section for the amount  
8 required by subsection (2) of section 79-916 to be transferred to the  
9 Class V school district, which shall transfer such amount to the funds of  
10 the retirement system provided for under the Class V School Employees  
11 Retirement Act.

12 (2) For each fiscal year beginning July 1, 2014, and before July 1,  
13 2025, in addition to the state transfers required by subsections (1) and  
14 (4) ~~(3)~~ of this section, the state shall transfer into the School  
15 Retirement Fund an amount equal to two percent of the compensation of all  
16 members of the retirement system.

17 (3) For each fiscal year beginning July 1, 2025, in addition to the  
18 state transfers required by subsections (1) and (4) of this section, the  
19 state shall transfer into the School Retirement Fund the following  
20 amounts:

21 (a) If the actuarially funded ratio of the School Retirement Fund is  
22 less than ninety-two percent, an amount equal to two percent of the  
23 compensation of all members of the retirement system;

24 (b) If the actuarially funded ratio of the School Retirement Fund is  
25 ninety-two percent or greater and less than ninety-four percent, an  
26 amount equal to one and six-tenths of one percent of the compensation of  
27 all members of the retirement system;

28 (c) If the actuarially funded ratio of the School Retirement Fund is  
29 ninety-four percent or greater and less than ninety-six percent, an  
30 amount equal to one and two-tenths of one percent of the compensation of  
31 all members of the retirement system;

1        (d) If the actuarially funded ratio of the School Retirement Fund is  
2 ninety-six percent or greater and less than ninety-eight percent, an  
3 amount equal to eight-tenths of one percent of the compensation of all  
4 members of the retirement system;

5        (e) If the actuarially funded ratio of the School Retirement Fund is  
6 ninety-eight percent or greater and less than one hundred percent, an  
7 amount equal to four-tenths of one percent of the compensation of all  
8 members of the retirement system; and

9        (f) If the actuarially funded ratio of the School Retirement Fund is  
10 one hundred percent or greater, the state shall not be required to  
11 transfer an amount under this subsection.

12        (4) ~~(3)~~ In addition to the state deposits and transfers required by  
13 subsections (1) and (2) of this section, beginning on July 1, 2005, and  
14 each fiscal year thereafter for employees who become members prior to  
15 July 1, 2016, the state shall transfer into the Service Annuity Fund such  
16 amounts as may be necessary to pay the normal cost and amortize the  
17 unfunded actuarial accrued liability of the service annuity benefit  
18 established pursuant to sections 79-933 and 79-952 as accrued through the  
19 end of the previous fiscal year of the school employees who are members  
20 of the retirement system established pursuant to the Class V School  
21 Employees Retirement Act.

22        **Sec. 2.**    Original section 79-966, Reissue Revised Statutes of  
23 Nebraska, is repealed.