

Revised due to amendments adopted through April 1, 2008

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	136,869		136,869	
CASH FUNDS	128,000			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	264,869		136,869	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB1147 as amended provides for the following changes to the various retirement plans.

- 1) Amends the Judges, School Employees, and the State Patrol retirement systems and makes technical changes to the calculation of the 75% purchasing power benefit for the respective systems. There appears to be no fiscal impact as a result of the changes. (See fiscal note for LB1147.)
- 2) Amends the County Employee and State Employee Retirement plans. Current law requires state and county employees to enroll and make contributions to the retirement system within 60 days of employment. LB1147 would require participation immediately upon becoming an employee. Current law does not preclude employee immediate participation. For example, effective January 1, 2007, participation became mandatory for state employees upon employment.

 To the extent that county employees are waiting the full 60 to enroll in the retirement plan, it would appear that the impact of LB1147 should be minimal. (See fiscal note for LB937.)
- 3) Amends the State and County Defined Contributions plans to allow a beneficiary to choose investment options. There is no fiscal impact. (See fiscal note for LB938.)
- 4) Provides for a comprehensive review of the Nebraska Investment Council by a qualified independent organization. The cost of the comprehensive review is estimated at \$100,000 Cash Funds. (See fiscal note for LB1143.)
- 5) Provides for an early retirement benefit for members of the Judges' Retirement Plan. According to an actuarial study, there is no increased contribution required due to a reserve in the Judges' Plan. The Nebraska Public Employees Retirement System (NPERS) estimates a one-time computer programming cost of \$16,800 Cash Funds. (See fiscal note for LB365.)
- 6) Revises the service annuity benefit payable upon disability retirement or retirement with 35 years of service for members of the Omaha School Employees Retirement System (OSERS) who were hired before July 19, 1996. An actuarial study estimates the annual cost at \$136,869 General Funds. NPERS estimates a one-time computer programming cost of \$11,200 Cash Funds. (See fiscal note for LB968.)