

ONE HUNDRED FIFTH LEGISLATURE

FIRST SESSION

**LEGISLATIVE RESOLUTION 202**

Introduced by Kolterman, 24; Baker, 30; Bolz, 29; Groene, 42; Kolowski, 31; Lindstrom, 18; Pansing Brooks, 28; Stinner, 48; Walz, 15; Williams, 36.

PURPOSE: The purpose of this resolution is to examine bona fide severance of employment compliance requirements under the Internal Revenue Code as related to maintaining section 401(a) qualified defined benefit plans.

The study shall include, but not be limited to, an examination of:

(1) The requirement for a participant to experience a permanent and complete severance of the employer-employee relationship;

(2) The obligation to administer the retirement systems in both form and operation, meaning how a plan is created and how the law is executed;

(3) The challenges faced by the Nebraska Public Employees Retirement Systems and Public Employees Retirement Board in administering a multiple-employer plan which includes over 265 school districts and numerous educational service units and state school employers, and maintaining compliance with federal law; and

(4) Substitute teacher service.

In addition, the study committee shall examine the use of early retirement inducements, including, but not limited to, the cost impact on funding the school retirement systems.

In carrying out its review, the Nebraska Retirement Systems Committee of the Legislature shall work with the Education Committee of the Legislature in collecting data and examining the use of and need for substitute teachers and the use of voluntary service agreements.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FIFTH LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. That the Nebraska Retirement Systems Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this

resolution.

2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.