

GENERAL FILE
May 6, 1971

PRESIDENT: Ready for the consideration of LB 987. Clerk will read the title.

CLERK: Read title. LB 987.

PRESIDENT: Senator Holmquist.

SENATOR HOLMQUIST: Mr. President, Members of the Legislature, the amendments are the result of the public hearing we had on LB987. The amendments were offered by the different people who were interested in retirement in the state of Nebraska. The bill itself combines 4 of the retirement funds. It is the hope of the Retirement Committee that we can establish one public employee's board. In that way we are grouping 4 funds and hope that we would also be able to save the funds for this purpose. This would be also to give better service to the employees who participate in the retirement program.

(End of Belt #3)

It is found that an efficient administration is the key element in the success of any retirement plan. It is essential that the employer is to realize full value for his expenditures into the plan if the employees are to fully appreciate the value of the plan to them. The key element necessary in the administration of any retirement plan includes but are not limited to the following, effective communication of planned provisions to employees, facility for quickly answering employee question, efficient maintenance of records, annual report to reach employee of this status in the plan providing for the maximum investment yield on the retirement fund, commensurate with safety of principle. Providing for actuarial legal and auditing functions necessary to keep the plan on a sound financial basis. The creation of the public employee's retirement board hereafter referred to as (inaudible). In the state of Nebraska it is intended to provide for more effective administration of several state retirement systems. The advantage to the state of Nebraska would conclude the motion of the 6 objectives listed above for the various state retirement systems. More coordination of the various retirement systems and more and better administration of them. The creation of fewer retirement boards than is presently the case. Better coordination between the retirement board and the retirement systems committee of the Nebraska Legislature. The creation of a stronger administrative staff including a director which would more than pay for themselves in savings for more efficient administration. The administration of the various retirement systems in Nebraska has grown historically with little consistent pattern. The following summarizes the situation. The state employee's program is administered by the state employees retirement board. School employees by the Board of Education, Lands and Funds, Judges by the Board of Educational Land and Funds, the State Patrol by the Board of Educational Land and Funds, the University by the Board of Regents, state colleges by the board of trustees, the county, the county employment retirement board.