






# Teacher Pension Policy in Nebraska

For more information about Nebraska and other states' teacher retirement policies, including full narrative analyses, recommendations and state responses, see [www.nctq.org/statepolicy](http://www.nctq.org/statepolicy)

## Nebraska's pension system ratings

<b>Sustainability</b>	Pension system is stable and well funded.	
<b>Flexibility</b>	Pension system is flexible and fair to all teachers.	
<b>Neutrality</b>	Benefits accrue uniformly with each year of work.	
<b>Transparency</b>	Teachers and the public have a clear depiction of the system's standing and future health.	

 fully meets goal  nearly meets goal  meets goal in part  meets a small part of goal  does not meet goal

## Snapshot of Nebraska's pension system

Teacher pension system is well funded (at least 90%).	YES
Teachers have the option of a fully portable primary pension plan.	NO
Teachers vest in three years or less.	NO
Teachers leaving early can take at least a partial employer contribution with them.	NO
Teacher and employer contribution rates are reasonable.	NO
Retirement eligibility is based on age only.	NO
Pension benefits accrue in a way that treats each year of work uniformly.	NO
Future contributions required to fully amortize total pension debt are projected and reported.	NO
Contributions required to fully amortize pension debt under different discount rates are reported.	NO
The source(s) of employer contributions (e.g., state and/or school districts) are disclosed, as well as the proportion of total contributions for which each contributor is responsible.	YES
The amount of retirement contributions that are normal costs and amortization are reported.	YES
Individual teachers are provided with information that breaks out employee and employer contributions.	NO
Individual teachers are provided with information about how their benefits accrue over time.	NO

## Nebraska pension system characteristics

Type of plan	Defined benefit (DB)
Unfunded liabilities (percent of system funded)	\$1,161,372,691 (89.6%)
Vesting period	5 years
Teacher contribution rate (percent of salary)	9.8%
Employer contribution rate (percent of salary)	11.9%
Basis for retirement eligibility	Age and years of service
Cost-of-living adjustments	Based on Consumer Price Index
Participation in Social Security	Yes
Contributions teachers may withdraw from plans if they leave after five years	Own with interest
Policy for purchasing time for prior teaching or approved leave	Limited

For states with multiple tier teacher pension systems, this analysis applies to the tier that applies to current new teachers joining the system.