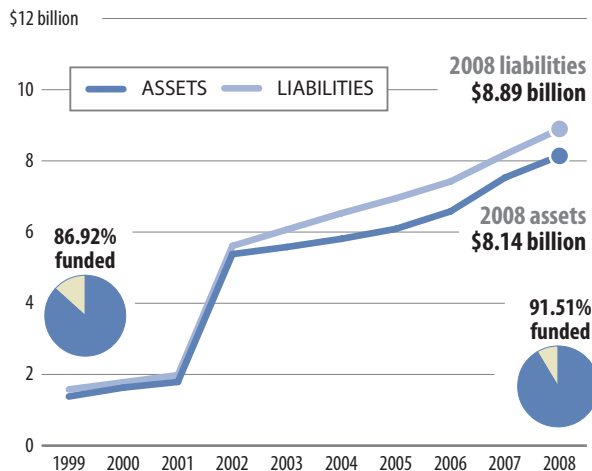


**NEBRASKA** is managing its long-term pension liability well. The state has funded nearly 92 percent of its total pension bill—well above the 80 percent benchmark that the U.S. Government Accountability Office says is preferred by experts. Since 2002, the state has paid more than 90 percent of the actuarially required contribution each year. State and county employees were in a defined contribution plan until 2003, when Nebraska switched to a cash balance plan, a hybrid between a defined benefit and defined contribution plan. In 2009, in an effort to boost the state’s pension assets, the legislature passed a law temporarily increasing employee and employer annual contribution rates for certain state pension plans, including the School Retirement Fund. Increased contributions started July 1, 2009, and will last through 2014, when the rate will decrease to its current level. These funding increases are expected to yield \$241.8 million. Nebraska does not calculate its liability for retiree health care and other benefits.

### PENSIONS, 1999 – 2008

Nebraska’s pension liabilities grew 462 percent between 1999 and 2008—outpaced by assets, which increased by 491 percent.



Total Bill Coming Due:	\$8,894,328
Portion Unfunded:	\$754,748
Annual Required Contribution (ARC):	\$169,068
Percentage ARC Funded:	100.00%



**PENSIONS: SOLID PERFORMER**



Solid performer



Needs improvement



Serious concerns

Our grades assess states on how well they manage their retirement obligations. Each state can earn up to four points for its pension plans: two points for a funding ratio of at least 80 percent; one for an unfunded liability below covered payroll; and one for paying an average of at least 90 percent of the ARC during the past five years. Solid Performer = 4 points. Needs Improvement = 2–3 points. Serious Concerns = 0–1 points. Grading for health care and other benefits is simpler because most states have only recently begun to fund and collect data on these liabilities. States are solid performers if they have set aside assets equal to at least 7.1 percent of their liabilities (the 50-state average), or they need improvement if they have contributed less.

For more details, read the full report at [www.pewcenteronthestates.org/TrillionDollarGap](http://www.pewcenteronthestates.org/TrillionDollarGap).

### HEALTH CARE & OTHER BENEFITS

Nebraska does not calculate its liability for retiree health care and other benefits, which is likely to be relatively small. Because the state does not provide an actuarial valuation for the cost of these obligations, it did not receive a grade.

Total Bill Coming Due:	No data available
Portion Unfunded:	No data available
Annual Required Contribution (ARC):	No data available
Percentage ARC Funded:	No data available

**HEALTH CARE & OTHER BENEFITS: NO DATA AVAILABLE**