

**LB645 Notification**  
**School Plan Employee and Employer Contribution Rate Changes**  
*Effective July 1, 2025*

On May 6, 2025, Governor Jim Pillen signed LB645 into law which changes contribution rates for the School Employees Retirement System (“the Plan”). The contribution rate for members, employers, and the State of Nebraska will now be dependent on the funded status of the Plan as determined by the independent, third-party actuarial valuation report.

The contribution rates will change on July 1, 2025, for employees, employers, and the State. LB645 states the contribution rates shall be calculated as of July 1 each year and will be based on the actuarial value of assets in the Plan as of the most recent actuarial valuation report presented to the Public Employees Retirement Board (“the Board”). Generally, the Board receives the Plan actuarial valuation report each November. The funded status in the report will determine the contribution rate to be implemented July 1 of the next year.

Funded Status	Employee	Employer	State
100% or above	7.25%	7.32%	0.0%
Between 98% and less than 100%	8.00%	8.08%	0.7%
Between 96% and less than 98%	8.75%	8.84%	0.7%
Less than 96%	9.75%	9.85%	2.0%

**IMPORTANT:** This rate is subject to change every fiscal year (July 1) based on the most current actuarial valuation report. **It is your responsibility to ensure you make the required changes (when applicable) each year.**

As of the most recent actuarial valuation report presented to the Board on November 18, 2024, the funded status of the Plan was 99.91%. **Therefore, on July 1, 2025, the new contribution rate for employees will be 8.00% and the employer contribution rate will be 8.08%.**

- **All wages and contributions that will be reported on the Wage and Contribution Report dated 7/1/2025 - 7/31/2025 must reflect the new contribution rate.**