

NEBRASKA SCHOOL, JUDGES, & PATROL RETIREMENT NEWS

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS | APRIL 2026

IN THIS ISSUE

- Pg. 1 - Guarding Your Benefits
- Pg. 2 - LB 824: School Plan
- Pg. 3 - LB 1101: Judges Plan
- Pg. 3 - 403(b) & 457 Contribution Limits
- Pg. 4 - Education Opportunities
- Pg. 5 - Organizational Updates

PUBLIC EMPLOYEES RETIREMENT BOARD

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Guarding Your Benefits New Measures to Protect Member Payments

At NPERS, we are constantly looking for ways to better serve our members, from supporting successful retirements to improving service and protecting against fraud and scams.

To help protect your time, money, and peace of mind, **NPERS is implementing a 30-day waiting period for changes to direct deposit information.**

One way fraud can occur is when unauthorized changes redirect benefit payments to a different account. To reduce this risk,

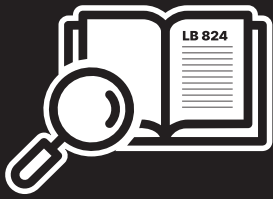
If a Direct Deposit change is submitted on your account, you will receive a notification letter before any changes take effect, giving you time to stop unauthorized activity.

a 30-day security hold will apply whenever a new direct deposit request is submitted for accounts currently receiving benefit payments.

During this period, a letter is sent to you notifying you of the change.

This provides an opportunity, if the request was not made by you, to contact us and stop the payment from going to an unauthorized account.

This added safeguard is designed to help protect your benefits and provide greater peace of mind.



LB 824

Termination & Reemployment (School Plan)

Enacted with Emergency Clause; Operative May 1, 2026

With the passage of **LB 824**, major changes will occur with service termination and reemployment rules.

Your retirement plan is not just a standard retirement plan. It is the Rolls-Royce of retirement plans: a defined benefit pension plan that, once vested, guarantees you a monthly benefit for your lifetime. To receive this benefit, the IRS requires members to complete a full separation from service before payments can begin, known as a bona fide termination. Understanding how to properly achieve this separation is vital to a comfortable retirement.

New legislation changes several of these rules, and it is our mission to help you understand what has changed.

Prior to the May 1, 2026 effective date:

- ▶ You were required to observe a 180-day separation from service beginning the later of: your termination date or the date NPERS receives a valid distribution application. Your termination date is typically your last day of work if you are hourly, or the last day you can be required to render services if you are a contracted employee (your contract end date).
- ▶ You could provide substitute or volunteer services on an intermittent basis, limited to up to eight days per calendar month during the 180-day period at all School Plan employers.

As of May 1, 2026, & the passage of LB 824:

- ▶ The 180-day period changes to 120-days.
- ▶ **No service can be provided during the 120-day period.** No exceptions are allowed. This means you cannot provide any substitute or volunteer services during this time.

This applies to terminations on or after May 1, 2026. It also applies to individuals who terminate employment prior to May 1 but submit an application for benefits or distribution on or after the effective date.

What remains the same? **Any prearrangement to return to service will be considered a termination violation** and may require repayment of all benefits received. To avoid this, do not have a written or verbal agreement to return to work with any School Plan employer.

Returning to work in a role that is fundamentally similar to your previous position, or terminating and then returning as an independent contractor performing the same duties, are both considered red flags. These situations may result in a determination that a valid separation did not occur.

Let's look at some common scenarios to determine whether they are "okay" or "not okay" during the 120-day separation period.

1. You retire from your position as a teacher and start a pest control business. Your former school hires you for fumigation services. Is this okay? **Yes.** These are different job duties and activities, so this is acceptable during the 120-day period.
2. You retire from teaching and are hired by a private agency to teach soft skills at the same school or another participating school. Is this okay? **No.** This is considered performing substantially similar duties, even if the employer is a private entity.
3. What about coaching, officiating, or refereeing? **No.** These activities are generally considered regular employment and are not allowed during the 120-day period.
4. You retire from teaching and are elected to serve on a school board. Is this okay? **Yes.** This represents a different role with different responsibilities and is acceptable.

The separation requirement does not prevent you from working for private, non-educational employers or parochial schools. Termination violations occur when a member returns to work for an employer that participates in the Nebraska School Retirement Plan, or another related public employer.

These updated rules are intended to make compliance with IRS and state requirements clearer and to help avoid the serious consequences of a termination violation. Such violations may require repayment of benefits and could jeopardize the plan's tax-qualified status, potentially affecting all members.

At NPERS, we want all members to enjoy a secure and comfortable retirement. Following these rules is essential to protecting your benefits. If you have questions, please contact Member Services at 800-245-0157 or 402-471-2053 (option 1).



LB 1101

Reduced State Contribution (Judges Plan)

Passed April 1, 2026

LB 1101, passed April 1, 2026, reduces the state contribution to the Nebraska Retirement Fund for Judges (Judges Plan) from 5% of the total annual compensation of all members of the retirement system to 4%.

This change reflects an adjustment to the funding structure of the Judges Plan, which has remained well-funded in recent actuarial evaluations. Beginning July 1, 2026, the reduced contribution rate will apply to the overall compensation base of plan members, lowering the state's annual funding obligation while maintaining the plan's financial stability.

403(b) & 457 Contribution Limits

2026 maximum contribution limits have been announced by the IRS for 403(b) and 457 Deferred Compensation (DCP) retirement plans. For both plans, the standard yearly maximum contribution has been increased from \$23,500 to \$24,500. Individuals age 50 or older may contribute an additional \$8,000 using the *Age 50 Catch-up* provision, increasing their total limit to \$32,500.

School employees who have completed 15 or more years of service in the same school district and have contributed, on average, less than \$5,000 a year to their 403(b) may be able to contribute more under the *Lifetime* ("Long Service") Catch-up provision. This allows eligible 403(b) participants to contribute up to an additional \$3,000 per year up to a lifetime maximum of \$15,000.

2026 limits for School employees participating in a 403(b)

TAX YEAR	STANDARD MAXIMUM CONTRIBUTION	IF YOU QUALIFY FOR THE \$3,000 LIFETIME CATCH-UP	IF YOU QUALIFY FOR THE AGE 50 CATCH-UP	IF YOU QUALIFY FOR BOTH THE AGE 50 AND THE LIFETIME CATCH-UP*
2026	\$24,500	\$27,500	\$32,500	\$35,750

*The first \$3,000 of contributions in excess of the standard \$24,500 limit will apply to the Lifetime Catch-up and reduce the \$15,000 Lifetime Catch-up limit. For more information on 403(b) limits, please refer to [IRS publication 571](#).

2026 limits for State Patrol and Judges participating in Deferred Compensation

TAX YEAR	IF YOU'RE UNDER AGE 50	CATCH-UP AGE 50-59 OR AGE 64 AND OLDER	SUPER CATCH-UP (ATTAINING THE AGE OF 60, 61, 62, OR 63 IN 2025)
2026	\$24,500	\$24,500 + \$8,000 = \$32,500	\$24,500 + \$11,250 = \$35,750

Yearly contribution limits for the Deferred Compensation Plan (DCP) are set by the federal tax code. Under SECURE Act 2.0, members turning 60–63 in 2026 are eligible for the Super Catch-up, allowing an extra \$11,250.

To be Super Catch-up eligible you must attain the age of 60, 61, 62, or 63 in 2026. Examples:

- Member A is turning 60 in 2026. Member A is eligible.
- Member B is turning 64 in 2026. Member B is NOT eligible for the Super Catch-up of \$11,250 but would still be able to contribute the regular Catch-up of \$8,000.

State Patrol and Judges can enroll in the State DCP using the [form](#) on NPERS website and submit to their payroll or HR for setup. State Patrol and Judges that earned at least \$150,000 in FICA wages (in 2025) will not be eligible for catch-up contributions in the State DCP Plan. NPERS does not manage 403(b) plans; school employees should contact their HR for 403(b) enrollment.

Education Opportunities

Seminars & Webinars!

The 2026 Retirement Planning seminar season has begun! Our season runs through June 3rd. **Seminar enrollment brochures for in-person seminars and webinars have been mailed and are also available on the [NPERS website](#).**

WEBINARS 9:00 AM - 12:30 PM
Monday, April 13, 2026
Friday, May 1, 2026
Wednesday, June 3, 2026

New technology provides us the flexibility to meet, collaborate, and learn in a variety of different ways. NPERS will continue with our wildly successful webinars.

Our webinar clocks in at about 3.5 hours and, when viewed in conjunction with our Social

Security, Medicare, and Estate Planning videos on the NPERS website, provides an experience equal to our in-person seminars. All of our webinars are free of charge, and you can attend in the comfort of your own home via Webex.

iN-PERSON Seminars

[Click to See Seminar Registration Info](#)

Members must enroll in advance if they wish to attend one of our in-person, on-site sessions. In-person events fill up FAST. The completed [enrollment form](#) and seminar fee of \$30 *per person*, must be received and processed to secure a spot at an in-person seminar.

A confirmation postcard will be mailed or e-mailed upon receipt of the registration form. Once a session is full, no additional enrollments will be accepted. If you would like to see a real-time listing of seminars that are still accepting registrations visit our [School Retirement Seminar webpage!](#) NPERS recommends members contact our office if they do not receive a confirmation postcard within two weeks of mailing their registration. Confirmation cards will not be mailed for registrations received within one week of the seminar. Late enrollees should contact our office to confirm their registration was received and seats are still available.

Half-Day In-Person Seminars

This is not the standard full-day seminar that covers your retirement plan, Social Security, elder fraud, estate planning, and Medicare. Instead, this is a condensed half-day format designed for members seeking information specifically about their NPERS retirement plan — delivered live and in person.

The seminar begins at 1:00 p.m. and concludes at 4:00 p.m. Check-in starts at 12:30 p.m. (No early check-ins.)

Participants receive the same materials provided at our full-day, in-person seminars, and a complimentary snack is included. [An enrollment form and registration fee is still required](#); however, because this is a

shortened session, the cost is reduced—\$15 per person or \$30 per couple. Pre-registration is required. The [enrollment brochure](#) for our remaining half-day seminar is available on our website.

Still don't have time for a seminar? **We've got you covered!** Our full-day seminar is available online as a series of videos at [NPERS.NE.GOV](#).

Half-Day In-Person Seminar
Thursday, May 14, 2026 - Lincoln

JUDGE CONCLUDES PERB SERVICE



Judge Thomas Zimmerman
with PERB Chair Janis Elliott

Judge Thomas Zimmerman has announced his resignation after completing his term on the Nebraska Public Employees Retirement Board (PERB). NPERS would like to thank him for his dedicated service on the PERB, and we wish him all the best in his future endeavors.

INTERIM DIRECTOR SAYS FAREWELL



PERB Chair Janis Elliott with
Interim Director Tyler Cummings

Tyler Cummings, Interim Director/Deputy Director, has announced his resignation. He served with dedication during a time of considerable challenge. NPERS expresses its appreciation for his service and contributions to the agency.



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RETIREMENT NEWS

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Updates to the **Nebraska Public Employees Retirement Board (PERB)**

Judge Horacio J. Wheelock, a Douglas County District Court judge, was appointed and later confirmed by the legislature in March 2026. As a Judges' member, He brings more than a decade of judicial experience and advanced degrees in finance, economics, and law, to the PERB.

Thomas Dargy was appointed by Governor Jim Pillen in March 2026 as the county member of the Nebraska Public Employees Retirement Board. Dargy holds a Criminal Justice degree from the University of Nebraska at Omaha and is an FBI National Academy graduate. He brings public safety and county leadership experience to the PERB.