

RETIREMENT NEWS

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS | MARCH 2025

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PUBLIC EMPLOYEES RETIREMENT BOARD

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Take the Money & Run?

When a member terminates their regular employment with an employer participating in the Nebraska School Retirement Plan, they have a significant decision to make: Will they take their benefit or not? LB198 changed reemployment rules last year, which may affect how members answer this question.

Reemployment occurs when a member terminates regular employment and then returns to an employer that contributes to the plan—sometimes even the same school.

If the member decides to take their benefit (or a distribution), they must establish a 180-day separation from service, including no prearrangement to return to service, which indicates to the IRS that they have fully terminated their employment. The 180-day separation period begins on the later of either the termination date or the application date. During that 180-day separation period, the member can still provide substitute and/or voluntary services to a Nebraska School Plan employer for up to 8 days total in each calendar month.

If the member decides not to take a benefit or distribution from their account, the newest rules allow them to provide unlimited substitute, voluntary, or even temporary services, as long as

the temporary service is true substitute service and not an extension of their regular position. However, their 180-day separation from service period will begin upon NPERS' receipt of a valid distribution application. The rules for the 180-day period remain the same—they may provide up to 8 days of substitute and/or voluntary service for each calendar month during that time.

Members who are close to or working past their Required Minimum Distribution (RMD) age should pay close attention, as RMD deadlines are enforced as soon as regular employment ceases. Some members have ceased regular employment, begun unlimited substitute services, and mistakenly believed this qualified as "still working" under IRS guidelines—it does not. Missing an important RMD deadline in the School Plan could mean losing the opportunity to claim a lifetime benefit. If you are unsure about the appropriate timing for taking your RMD, review the [RMD handout](#) on your plan page, and if you have questions, call NPERS.

Failing to establish a proper termination by prearranging a return to service, providing service outside of true substitute or voluntary service, or providing service beyond the allowed 8 days per month can result in a "termination violation." Consequences range from delays in processing to full and immediate repayment of all funds.

Education Opportunities Seminars & Webinars!

The 2025 Retirement Planning seminar season has begun! Our season runs through June 4th. Seminar enrollment brochures for in-person seminars and webinars have been mailed and are also available on the [NPERS website](#).

Morning Webinars

9:00 AM - 12:30 PM

Morning Webinars - Free
03/25/2025
04/21/2025
05/02/2025
06/04/2025

New technology provides us the flexibility to meet, collaborate, and learn in a variety of different ways. NPERS will continue with our wildly successful morning 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. You can register for a webinar by sending an email to NPERS.seminars@nebraska.gov providing your:

- Name
- Email Address
- Date of Birth
- Date of the Webinar You Wish to Attend

We will accept registration for webinars up until the day before the event.

iN-PERSON Seminars

[See the Enrollment Brochure on our website for dates!](#)

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/spouse*, 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 - no exceptions. 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 8:30 a.m. and concludes at 11:30 a.m. Check-in starts at 8:00 a.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
03/27/2025 - Lincoln

403(b) & 457 Contribution Limits

2025 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 \$23,000 to \$23,500. Individuals age 50 or older may contribute an additional \$7,500 using the *Age 50 Catch-up* provision, increasing their total limit to \$31,000.

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.

2025 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*
2025	\$23,500	\$26,500	\$31,000	\$34,000

*The first \$3,000 of contributions in excess of the standard \$23,500 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](#).

2025 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)
2025	\$23,500	\$23,500 + \$7,500 = \$31,000	\$23,500 + \$11,250 = \$34,750

Yearly contribution maximum amounts are set by the federal tax code for the Deferred Compensation Plan (DCP). Per the Secure Act 2.0 members who are turning 60 to 63 in 2025 will be eligible to put in a super catch-up (\$11,250) amount to their DCP account.

To be Super Catch-up eligible you must attain the age of 60, 61, 62, or 63 in 2025. Examples:

- Member A is turning 60 in 2025. Member A is eligible.
- Member B is turning 64 in 2025. 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 \$7,500.

State Patrol and Judges who would like to participate in the State DCP can access the [enrollment form](#) on the NPERS website under [Forms](#). This form should be submitted to your agency payroll or HR rep so they can set up the payroll deduction. NPERS does not administer 403(b) plans. *School* employees who wish to participate in a 403(b) should contact their HR department for plan and enrollment information.

Remembering Phyllis G. Chambers



With sincere sadness NPERS would like to remember our past NPERS Director Phyllis G. Chambers who passed away February 2nd, 2025. Phyllis was the director of NPERS from 2007 to 2017. Phyllis was a dynamic and well-loved figurehead for the agency. Her legacy of leadership and integrity are still present in the office each day.



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NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS

RETIREMENT NEWS

NEBRASKA SCHOOL, JUDGES & PATROL | MARCH 2025

OSERS UPDATE

The transition of the day-to-day management of the Omaha School Employees Retirement System (OSERS) to the Nebraska Public Employees Retirement Systems (NPERS) was completed on September 1, 2024. As a reminder, the OSERS plan remains a separate pension from NPERS' school plan; it will simply be administered at the same location. Many members of the Nebraska school plan have expressed the misconception that the plans would "merge" into one large retirement plan, which is not the case. If you have questions about your OSERS plan membership or your Nebraska school plan membership, please call our office for clarification.