

AMENDMENTS TO LB198

(Amendments to E and R amendments, ER64)

Introduced by McDonnell, 5.

1 1. Insert the following new sections:

2 Sec. 14. Section 79-9,117, Revised Statutes Cumulative Supplement,
3 2022, is amended to read:

4 79-9,117 (1)(a) Until September 1, 2024, the board of trustees shall
5 establish a comprehensive preretirement planning program for school
6 employees who are members of the retirement system. The program shall
7 provide information and advice regarding the many changes members face
8 upon retirement, including, but not limited to, changes in physical and
9 mental health, housing, family life, leisure activity, and retirement
10 income.

11 (b) Beginning September 1, 2024, the retirement board shall
12 establish sessions as provided in section 84-1511 for school employees
13 who are members of the retirement system.

14 (2) The preretirement planning program shall be available to all
15 members ~~who have attained the age of fifty years or are within five years~~
16 ~~of qualifying for retirement or early retirement under their retirement~~
17 ~~systems.~~

18 (3) The preretirement planning program shall include information on
19 the federal and state income tax consequences of the various annuity or
20 retirement benefit options available to the member, information on social
21 security benefits, information on various local, state, and federal
22 government programs and programs in the private sector designed to assist
23 elderly persons, and information and advice the board of trustees or
24 retirement board, as applicable, deems valuable in assisting members in
25 the transition from public employment to retirement.

26 (4) The board of trustees or retirement board, as applicable, shall

1 work with any governmental agency, including political subdivisions or
2 bodies whose services or expertise may enhance the development or
3 implementation of the preretirement planning program.

4 (5) The costs of the preretirement planning program shall be charged
5 back to the retirement system.

6 (6) An employer shall provide each member leave with pay to attend
7 up to two preretirement planning programs. For purposes of this
8 subsection, leave with pay means a day off paid by an employer and does
9 not mean vacation, sick, personal, or compensatory time. A member may
10 choose to attend a program more than twice, but such leave shall be at
11 the expense of the member and shall be at the discretion of the employer.
12 A member shall not be entitled to attend more than one preretirement
13 planning program per fiscal year prior to actual election of retirement.

14 (7) A nominal registration fee may be charged to each person
15 attending a preretirement planning program to cover the costs for meals,
16 meeting rooms, or other expenses incurred under such program.

17 Sec. 16. Section 81-1316, Revised Statutes Cumulative Supplement,
18 2022, is amended to read:

19 81-1316 (1) All agencies and personnel of state government shall be
20 covered by sections 81-1301 to 81-1319 and shall be considered subject to
21 the State Personnel System, except the following:

- 22 (a) All personnel of the office of the Governor;
- 23 (b) All personnel of the office of the Lieutenant Governor;
- 24 (c) All personnel of the office of the Secretary of State;
- 25 (d) All personnel of the office of the State Treasurer;
- 26 (e) All personnel of the office of the Attorney General;
- 27 (f) All personnel of the office of the Auditor of Public Accounts;
- 28 (g) All personnel of the Legislature;
- 29 (h) All personnel of the court systems;
- 30 (i) All personnel of the Board of Educational Lands and Funds;
- 31 (j) All personnel of the Public Service Commission;

- 1 (k) All personnel of the Nebraska Brand Committee;
- 2 (l) All personnel of the Commission of Industrial Relations;
- 3 (m) All personnel of the State Department of Education;
- 4 (n) All personnel of the Nebraska state colleges and the Board of
5 Trustees of the Nebraska State Colleges;
- 6 (o) All personnel of the University of Nebraska;
- 7 (p) All personnel of the Coordinating Commission for Postsecondary
8 Education;
- 9 (q) All personnel of the Governor's Policy Research Office;
- 10 (r) All personnel of the Commission on Public Advocacy;
- 11 (s) All agency heads;
- 12 (t)(i) The Director of Behavioral Health of the Division of
13 Behavioral Health; (ii) the Director of Children and Family Services of
14 the Division of Children and Family Services; (iii) the Director of
15 Developmental Disabilities of the Division of Developmental Disabilities;
16 (iv) the Director of Medicaid and Long-Term Care of the Division of
17 Medicaid and Long-Term Care; and (v) the Director of Public Health of the
18 Division of Public Health;
- 19 (u) The chief medical officer established under section 81-3115, the
20 Administrator of the Office of Juvenile Services, and the chief executive
21 officers of the Beatrice State Developmental Center, Lincoln Regional
22 Center, Norfolk Regional Center, Hastings Regional Center, Grand Island
23 Veterans' Home, Norfolk Veterans' Home, Eastern Nebraska Veterans' Home,
24 Western Nebraska Veterans' Home, and each youth rehabilitation and
25 treatment center;
- 26 (v) The chief executive officers of all facilities operated by the
27 Department of Correctional Services and the medical director for the
28 department appointed pursuant to section 83-4,156;
- 29 (w) All personnel employed as pharmacists, physicians,
30 psychiatrists, or psychologists by the Department of Correctional
31 Services;

1 (x) All personnel employed as pharmacists, physicians,
2 psychiatrists, psychologists, service area administrators, or facility
3 operating officers of the Department of Health and Human Services or the
4 Department of Veterans' Affairs;

5 (y) Deputies and examiners of the Department of Banking and Finance
6 and the Department of Insurance as set forth in sections 8-105 and
7 44-119, except for those deputies and examiners who remain in the State
8 Personnel System;

9 (z) All personnel of the Tax Equalization and Review Commission; ~~and~~

10 (aa) The associate director of the Conservation Division of the
11 Nebraska State Historical Society and all personnel employed as a
12 Conservator I or Conservator II of the Conservation Division of the
13 Nebraska State Historical Society; and -

14 (bb) Assistant directors and deputies of the Nebraska Public
15 Employees Retirement Systems.

16 (2) At each agency head's discretion, up to the following number of
17 additional positions may be exempted from the State Personnel System,
18 based on the following agency size categories:

19	Number of Agency	Number of Noncovered
20	Employees	Positions
21	less than 25	0
22	25 to 100	1
23	101 to 250	2
24	251 to 500	3
25	501 to 1000	4
26	1001 to 2000	5
27	2001 to 3000	8
28	3001 to 4000	11
29	4001 to 5000	40
30	over 5000	50

1 The purpose of having such noncovered positions shall be to allow
2 agency heads the opportunity to recruit, hire, and supervise critical,
3 confidential, or policymaking personnel without restrictions from
4 selection procedures, compensation rules, career protections, and
5 grievance privileges. Persons holding the noncovered positions shall
6 serve at the pleasure of the agency head and shall be paid salaries set
7 by the agency head. An agency with over five thousand employees shall
8 provide notice in writing to the Health and Human Services Committee of
9 the Legislature when forty noncovered positions have been filled by the
10 agency head pursuant to this subsection.

11 (3) No changes to this section or to the number of noncovered
12 positions within an agency shall affect the status of personnel employed
13 on the date the changes become operative without their prior written
14 agreement. A state employee's career protections or coverage by personnel
15 rules and regulations shall not be revoked by redesignation of the
16 employee's position as a noncovered position without the prior written
17 agreement of such employee.

18 Sec. 19. Section 84-1501, Revised Statutes Cumulative Supplement,
19 2022, is amended to read:

20 84-1501 (1) The Public Employees Retirement Board is hereby
21 established.

22 (2)(a) The board shall consist of ~~eight appointed members until~~
23 ~~September 1, 2024, and~~ nine appointed members ~~beginning September 1,~~
24 ~~2024,~~ as described in this subsection, and the state investment officer
25 as a nonvoting, ex officio member. Seven ~~Six of the appointed members~~
26 ~~until September 1, 2024, and~~ seven of the appointed members ~~beginning~~
27 ~~September 1, 2024,~~ shall be active or retired participants in the
28 retirement systems administered by the board, and two of the appointed
29 members (i) shall not be employees of the State of Nebraska or any of its
30 political subdivisions and (ii) shall have at least ten years of
31 experience in the management of a public or private organization or have

1 at least five years of experience in the field of actuarial analysis or
2 the administration of an employee benefit plan.

3 (b) The appointed members who are participants in the retirement
4 systems shall be as follows:

5 (i) Two of the appointed members shall be participants in the School
6 Employees Retirement System of the State of Nebraska and shall include
7 one administrator and one teacher;

8 (ii) One of the appointed members shall be a participant in the
9 Nebraska Judges Retirement System as provided in the Judges Retirement
10 Act;

11 (iii) One of the appointed members shall be a participant in the
12 Nebraska State Patrol Retirement System;

13 (iv) One of the appointed members shall be a participant in the
14 Retirement System for Nebraska Counties;

15 (v) One of the appointed members shall be a participant in the State
16 Employees Retirement System of the State of Nebraska; and

17 (vi) Beginning September 1, 2024, one of the appointed members shall
18 be a participant who is a teacher in a retirement system established
19 under the Class V School Employees Retirement Act. Prior to September 1,
20 2024, such member shall be a nonvoting, ex officio member.

21 (c) Appointments to the board shall be made by the Governor and
22 shall be subject to the approval of the Legislature. All appointed
23 members shall be citizens of the State of Nebraska.

24 (3)(a) Except as otherwise provided in this subsection, all members
25 shall serve for terms of five years or until a successor has been
26 appointed and qualified. The terms shall begin on January 1 of the
27 appropriate year.

28 (b) To ensure an experienced and knowledgeable board, the terms of
29 the appointed members shall be staggered as follows:

30 (i) One of the two members described in subdivisions (2)(a)(i) and
31 (ii) of this section shall be appointed to serve for a five-year term

1 which begins in 2017;

2 (ii) One of the two members described in subdivisions (2)(a)(i) and
3 (ii) of this section shall be appointed to serve for a five-year term
4 which begins in 2018;

5 (iii) The participant in the School Employees Retirement System of
6 the State of Nebraska who is a teacher shall be appointed for a five-year
7 term which begins in 2019;

8 (iv) The participant in the School Employees Retirement System of
9 the State of Nebraska who is an administrator and the participant in the
10 State Employees Retirement System of the State of Nebraska shall be
11 appointed for a five-year term which begins in 2020;

12 (v) The participant in the Retirement System for Nebraska Counties
13 and the participant in the Nebraska Judges Retirement System shall be
14 appointed to serve for a five-year term which begins in 2021;

15 (vi) The participant in the Nebraska State Patrol Retirement System
16 shall be appointed to serve for a three-year term which begins in 2020,
17 and his or her successor shall be appointed to serve for a five-year term
18 which begins in 2023; and

19 (vii) The participant in a retirement system established under the
20 Class V School Employees Retirement Act shall be appointed to serve for a
21 fifty-two-month term which begins September 1, 2024, and his or her
22 successor shall be appointed to serve for a five-year term which begins
23 in 2029.

24 (4) In the event of a vacancy in office, the Governor shall appoint
25 a person to serve the unexpired portion of the term subject to the
26 approval of the Legislature.

27 (5) The appointed members of the board may be removed by the
28 Governor for cause after notice and an opportunity to be heard.

29 Sec. 20. Section 84-1503.03, Reissue Revised Statutes of Nebraska,
30 is amended to read:

31 84-1503.03 (1) The director of the Nebraska Public Employees

1 Retirement Systems shall employ qualified personnel as may be required to
2 carry out the duties and responsibilities required under sections 84-1501
3 to 84-1513. Except for the personnel described in subsection (2) of this
4 section, such Such employees shall be deemed state employees and covered
5 by the State Personnel System pursuant to sections 81-1301 to 81-1368 and
6 other personnel rules or regulations. The positions of the internal
7 auditor and the attorney hired by the board pursuant to section 84-1503
8 shall be classified positions covered by the State Personnel System and
9 shall not be noncovered positions under subsection (2) of section
10 81-1316.

11 (2) The director may hire assistant directors and deputies to assist
12 the director in administering the Nebraska Public Employee Retirement
13 Systems. Each assistant director and deputy shall be exempt from the
14 State Personnel System and shall receive a salary as set by the director.

15 (3) The director shall be exempt from the State Personnel System.

16 (4) All employees shall comply with state accounting regulations and
17 applicable state and federal laws in the discharge of their duties.

18 2. On page 55, line 3, after "81-2016," insert "84-1503.03,"; and in
19 line 4 strike "and 84-1307," and insert "79-9,117, 81-1316, 84-1307, and
20 84-1501,".