

LEGISLATIVE BILL 235

Approved by the Governor May 19, 1975

Introduced by Nebraska Retirement Systems Committee, Hasebroock, 18, Chmn.; F. Lewis, 45; Luedtke, 28; Stull, 49; Goodrich, 20

AN ACT to amend sections 60-444 and 60-452, Reissue Revised Statutes of Nebraska, 1943, section 60-452.01, Revised Statutes Supplement, 1974, and section 60-458, Revised Statutes Supplement, 1974, as amended by section 1, Legislative Bill 55, Eighty-fourth Legislature, First Session, 1975, relating to the Nebraska State Patrol; to increase the rate of contribution; to reduce the minimum retirement age; to increase the percentage for computation of annuities; to accelerate eligibility for the deferred annuity; to provide for actuarial equivalence for early retirement; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 60-444, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

60-444. Each patrolman while in the service of the Nebraska State Patrol shall pay a sum equal to seven eight per cent of his monthly salary. Such amounts shall be deducted monthly by the Director of Administrative Services who shall draw a warrant monthly in the amount of the total deductions from salaries of members of the Nebraska State Patrol and the State Treasurer shall credit the amount of such warrant to the fund created by sections 60-441 to 60-461. The director shall cause a detailed report of all monthly deductions to be made each month to the Public Employees Retirement Board. In addition thereto, there shall be transferred from the General Fund monthly, by the State Treasurer, a sum equal to the amount of said salary deductions each month, the same to be credited to the fund created by sections 60-441 to 60-461. The fund shall further be supplemented annually by an appropriation in such amount as may be determined on the basis of an actuarial valuation prepared by a member of the American Academy of Actuaries to be sufficient to fully fund the unfunded accrued liabilities of the system by level payments up to January 1, ~~1994~~ 2005.

Sec. 2. That section 60-452, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

60-452. (1) Every patrolman who shall have been in the employ of the state as such, and who shall become disabled and physically unfit to perform the duties of a patrolman shall be entitled to retire and receive an annuity as provided by law; and every patrolman who shall have been in the employ of the state as such for twenty years or more and has attained the age of ~~fifty-five~~ fifty years or more shall be entitled to retire and receive an annuity as provided by law.

(2) The right to retire at the age of ~~fifty-five~~ fifty years, ~~as referred to in subsection (1) of this section,~~ shall be at the option of the patrolman but such retirement shall be mandatory upon the patrolman's attaining the age of sixty years.

(3) Any patrolman who has attained the age of sixty years upon his separation from state service but who has not been in the employ of the state for twenty years as such shall be entitled to the annuity as provided for in sections 60-441 to 60-461 upon payment by the patrolman of such sum as will result by multiplying the number of months which he would be required to serve so as to complete twenty years of service by the amount of his monthly salary deductions at the time when he attains the age of sixty years.

Sec. 3. That section 60-452.01, Revised Statutes Supplement, 1974, be amended to read as follows:

60-452.01. (1) Any patrolman qualified for an annuity, as provided in section 60-452 for reasons other than disability, shall be entitled to receive a monthly annuity for the remainder of his life. The amount of the annuity shall be a percentage of his final average monthly salary. The For retirement on or after the fifty-fifth birthday of the member, the percentage shall be two and one half per cent multiplied by the number of years of service, as calculated in section 60-460; Provided, that the percentage shall never be greater than sixty seventy-five per cent. For retirement on or after the fiftieth birthday of the member, but prior to the fifty-fifth birthday of the member, the percentage shall be the actuarial equivalent of the percentage which would apply if the member were age fifty-five at the date of retirement to reflect the younger retirement age. For purposes of this computation, final average monthly salary is defined to be the sum of the patrolman's total salary during his final five years of service as a

patrolman divided by sixty.

(2) Any patrolman qualified for an annuity, as provided in section 60-452 for reasons of disability, shall be entitled to receive a monthly annuity for the remainder of his period of disablement, as provided in sections 60-455 to 60-457. The amount of the annuity shall be fifty per cent of the patrolman's monthly salary at the date of disablement.

(3) Upon the death of a patrolman after retirement for reasons other than disability, his widow, if married to the patrolman prior to the last four years of service of such patrolman prior to his retirement, shall continue to receive fifty per cent of the amount of such patrolman's annuity for the remainder of her life or until she remarries; Provided, that if the widow has a dependent child or children under age nineteen in her care, the benefit shall be seventy-five per cent of the amount of such patrolman's annuity until such time as the youngest such dependent child attains the age of nineteen years after which time the benefit is reduced to fifty per cent of the amount of such a patrolman's annuity. If there is no widow living at the date of the patrolman's death, his child or children, if any, shall continue to receive fifty per cent of the amount of such patrolman's annuity until such time as the youngest such child attains the age of nineteen years. If there should be more than one such child under the age of nineteen years at such time, the amount thereof shall be divided equally among such children under such age and, as they attain the age of nineteen years, only the other child or children under such age shall participate therein. Upon the death of a patrolman after retirement for reasons of disability, benefits shall be provided as if the patrolman had retired for reasons other than disability, except that it shall not be required that his widow have been married to him for the last four years in order to qualify for such benefits. Upon the death of a patrolman before retirement, benefits shall be provided as if the patrolman had retired for reasons of disability on the date of his death; Provided, that if no benefits are paid to a surviving widow or dependent children, benefits will be paid as described in subsection (1) of section 60-458.

(4) Any benefits provided in subsections (1), (2), and (3) of this section shall apply only to retirements, disabilities, and deaths occurring on or after December 25, 1969. No benefits being paid under the system on December 25, 1969 shall be modified, in any way, by the enactment of this act.

Sec. 4. That section 60-458, Revised Statutes Supplement, 1974, as amended by section 1, Legislative Bill 55, Eighty-fourth Legislature, First Session, 1975, be amended to read as follows:

60-458. (1) Should any patrolman, prior to becoming eligible to retire, as provided in section 60-452, become separated from state service as a patrolman for reasons other than death or disability, either voluntarily or involuntarily, such patrolman shall thereupon be entitled to receive all payments which have been made by salary deductions into the fund created by sections 60-441 to 60-461 plus regular interest earned each fiscal year commencing July 1, 1974, as determined by the retirement board in conformity with actual and expected earnings on its investments.

(2) In lieu of the benefit described in subsection (1) of this section, the patrolman may elect to receive a deferred annuity to commence at any age fifty-five from fifty to fifty-five. If this election is made, the contributions made to the system by the patrolman may not be withdrawn from the system. The deferred annuity ~~to--commence--at--age--fifty-five~~ is computed as a percentage of the retirement annuity, as computed in subsection (1) of section 60-452.01. The percentage is zero per cent for the first five years of service; twenty per cent for each completed year of service for the next five years of service; and one hundred per cent after ten completed years of service. In the event of the death of any patrolman during the deferred period, the accumulated value of the patrolman's contributions at the date of termination plus regular interest to the date of his death shall be paid to such patrolman's beneficiary.

Sec. 5. That original sections 60-444 and 60-452, Reissue Revised Statutes of Nebraska, 1943, section 60-452.01, Revised Statutes Supplement, 1974, and section 60-458, Revised Statutes Supplement, 1974, as amended by section 1, Legislative Bill 55, Eighty-fourth Legislature, First Session, 1975, are repealed.