

LEGISLATIVE BILL 311

Approved by the Governor April 19, 1986

Introduced by Wesely, 26

AN ACT relating to retirement; to amend sections 23-2315, 24-704, 24-708, 24-710, 79-1514, 79-1522, 79-1532, 79-1552, 79-1556, 79-1565, 81-1325, 81-2022, 81-2025, 81-2026, 81-2031, 81-2032, 84-1322, 84-1324, and 84-1502, Reissue Revised Statutes of Nebraska, 1943, sections 23-2319, 24-701, 79-1521, 84-1301, 84-1307, 84-1311, 84-1317, 84-1319, 84-1320, 84-1321, 84-1332, and 84-1503, Revised Statutes Supplement, 1984, and sections 23-2301, 23-2310, 23-2312, 23-2317, 23-2322, and 79-1501, Revised Statutes Supplement, 1985; to provide for a preretirement planning program; to define and redefine terms; to change provisions relating to employee retirement plans and the administration of such plans; to provide powers for and limit duties of the Public Employees Retirement Board; to provide for nonalienation of benefits; to provide exceptions; to provide when benefits begin; to provide for access to certain information; to provide an opportunity for certain employees to change retirement systems as prescribed; to change requirements for certain benefits; to change membership provisions; to change the early retirement age; to harmonize provisions; to repeal the original sections; and to declare an emergency.

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

Section 1. (1) The Public Employees Retirement Board shall establish a comprehensive preretirement planning program for state patrol officers, state employees, judges, county employees, and school employees who are members of the retirement systems established pursuant to Chapter 23, article 23, Chapter 24, article 7, Chapter 79, articles 10 and 15, Chapter 81, article 20, and Chapter 84, article 13. The program shall provide information and advice regarding the many changes employees face upon retirement including, but not limited to, changes in physical and

mental health, housing, family life, leisure activity, and retirement income.

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

(3) The preretirement planning program shall include information on the federal and state income tax consequences of the various annuity or retirement benefit options available to the employee, information on social security benefits, information on various local, state, and federal government programs and programs in the private sector designed to assist elderly persons, and information and advice the board deems valuable in assisting public employees in the transition from public employment to retirement.

(4) The board shall work with the Department on Aging, Department of Personnel, employee groups, and any other governmental agency, including political subdivisions or bodies whose services or expertise may enhance the development or implementation of the preretirement planning program.

(5) Funding to cover the expense of the preretirement planning program shall be charged back to each retirement fund on a pro rata share based on the number of employees in each plan.

(6) Leave with pay shall be provided by the employer to each employee qualified and registered to attend a preretirement planning program. An employee eligible to attend such a program shall not be entitled to attend more than one preretirement planning program per fiscal year prior to actual election of retirement.

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

Sec. 2. That section 23-2301, Revised Statutes Supplement, 1985, be amended to read as follows:

23-2301. As used in the County Employees Retirement Act, unless the context otherwise requires:

(1) Employees shall mean all persons or officers who are employed by a county of the State of Nebraska devoting twenty or more hours per week to such employment, all elected officers of a county, and such other persons or officers as are classified from time to time as permanent employees by the county board of the county by whom they are employed, except that the term

shall not include judges, persons making contributions to the School Retirement System of the State of Nebraska, or nonelected employees and nonelected officials of any county having a population in excess of one hundred thousand inhabitants;

(2) Retirement shall mean qualifying for and ~~accepting a terminating employment after becoming qualified to receive the~~ retirement allowance granted under the County Employees Retirement Act;

(3) Retirement board or board shall mean the Public Employees Retirement Board;

(4) Retirement system shall mean the Retirement System for Nebraska Counties;

(5) Required contribution shall mean the deduction to be made from the salary of employees, as provided in the County Employees Retirement Act;

(6) Service shall mean the actual total length of employment as an employee and shall include leave of absence because of disability or military service when properly authorized by the retirement board, except that service shall not include any period of disability for which disability retirement benefits are received under section 23-2315;

(7) Straight life annuity shall mean an ordinary annuity, payable for the life of the primary annuitant only, and terminating at his or her death without refund or death benefit of any kind;

(8) Date of adoption of the retirement system by each county shall mean the first day of the month next following the date of approval of the retirement system by the county board or January 1, 1987, whichever is earlier;

(9) Prior service shall mean service prior to the date of adoption of the retirement system;

(10) Future service shall mean service following the date of adoption of the retirement system;

(11) Group annuity contract shall mean the contract issued by one or more life insurance companies to the board in order to provide the future service benefits described in the County Employees Retirement Act;

(12) Carrier shall mean the life insurance company or trust company designated by the retirement board as the administrator of the retirement system;

(13) Regular interest shall mean the rate of interest earned each calendar year commencing January 1, 1975, as determined by the retirement board in conformity with actual and expected earnings on its investments;

(14) Disability shall mean an inability to engage in a substantially gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or be of a long and indefinite duration;

(15) Date of disability shall mean the date on which a member is determined by the board to be disabled;

(16) Guaranteed investment contract shall mean an investment contract which guarantees that the account maintained for any participant will not decrease in value, but will increase each year by the contribution allocated to the account and by investment earnings and will decrease by the amount of expenses reasonably determined to be allocated to the account; and

(17) Investment manager shall mean one or more insurance companies, bank trust departments, or independent investment advisors designated to invest any portion of the funds of the County Employees Retirement Act.

Sec. 3. That section 23-2310, Revised Statutes Supplement, 1985, be amended to read as follows:

23-2310. (1) A member's share of the fund arising from the county contributions shall be known as his or her employer account. Prior to January 1, 1981, as of any January 1 a member's employer account shall be equal to his or her account as of the next preceding January 1, increased by two hundred per cent of any amounts deducted from the member's salary since the next preceding January 1 in accordance with section 23-2307. As of January 1, 1982, a member's employer account shall be equal to the account as of January 1, 1981, increased by two hundred per cent of the amounts deducted from the member's salary for the first nine months of the year and two hundred fifty per cent for the final three months of the year in accordance with section 23-2307. As of January 1, 1983, and each year thereafter, the member's employer account shall be equal to the account as of the next preceding January 1 increased by two hundred fifty per cent of the amounts deducted from the member's salary since the next preceding January 1 in accordance with section 23-2307. The member's employer account shall be increased by any interest allocated under the provisions of the guaranteed investment contract and reduced by any expense charges made under the provisions of the guaranteed investment contract. A member who ceased being an employee since the next preceding January 1 may have his or her employer account reduced in accordance with section 23-2319.

(2) Notwithstanding anything to the contrary in Chapter 23, article 23, the total additions made to both the employee account and the employer account for any calendar year shall not exceed the lesser of ~~twenty-five~~ thirty thousand dollars, as adjusted for cost-of-living adjustments announced by the Internal Revenue Service for each calendar year in which the adjustment is announced, or twenty-five per cent of the member's salary for such year. For purposes of this subsection, total additions for a calendar year shall equal the full amount allocated to the employer account for that year plus the lesser of (a) one half of the member's contributions for that year or (b) the amount of the member's contributions in excess of six per cent of his or her salary for that year.

Sec. 4. That section 23-2312, Revised Statutes Supplement, 1985, be amended to read as follows:

23-2312. The carrier shall keep a complete record of all members with respect to names, ages, contributions, and any such other facts as may be necessary in the administration of the County Employees Retirement Act. For the purpose of obtaining such facts, the board and the carrier shall have access to the records of the various counties. A certified copy of a birth certificate or delayed birth certificate shall be prima facie evidence of the age of the person named therein.

Sec. 5. That section 23-2315, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

23-2315. (1) An employee may elect to retire at any time after attaining the age of sixty. An employee may retire as a result of disability at any age. An employee may be required to retire under rules adopted by the county board of the county by whom he or she is employed, except that such rules shall not require retirement before the end of the month in which an employee's seventieth birthday occurs and, with the annual approval of the county board and employee, such employee may continue his or her employment beyond the time required in such rules. Such rules shall not apply to elected officials. The first day of the month immediately following the last day of work shall be the retirement date, except that disability retirement benefits shall be paid from the date of disability as determined by the board.

(2) Payment of any benefit provided under the retirement system may not be deferred later than the

sixtieth day after the end of the year in which the employee has both attained at least age seventy and one half years and terminated his or her employment with the county.

Sec. 6. That section 23-2317, Revised Statutes Supplement, 1985, be amended to read as follows:

23-2317. (1) The future service retirement benefit shall be an annuity, payable monthly with the first payment made as of the retirement date, which shall be the actuarial equivalent of the retirement value based on factors determined by the board, except that gender shall not be a factor when determining the amount of such payments pursuant to subsection (2) of this section. A retiring employee may elect to receive, in lieu of an annuity, a lump-sum settlement equal to the retirement value if the retirement value is less than eight thousand dollars. A copy of the contract shall be kept on file with the board.

At any time before the retirement date, the retiring employee may choose to receive his or her annuity either in the form of a straight life annuity or any optional form that is determined by the board. In lieu of the future service retirement annuity, a retiring employee may, upon application to the board, receive a retirement transition benefit which shall not exceed twenty-five per cent of the value of the member's employee account and an annuity which shall be equal to the actuarial equivalent of the remainder of the retirement value, and the employee may choose any form of such annuity as provided for by the board. In the alternative, a retiring employee may elect to receive the entire amount in his or her employee account, except that if he or she selects such alternative, he or she shall forfeit the accumulated sums in his or her employer account. In any case, the amount of the monthly payment shall be such that the annuity chosen shall be the actuarial equivalent of the retirement value, except as provided in this section.

The board shall provide to any county employee who is eligible for retirement, prior to his or her selecting any of the retirement options provided by this section, information on the federal and state income tax consequences of the various annuity or retirement benefit options.

(2) The monthly income payable to a member retiring on or after January 1, 1984, shall be as follows:

He or she shall receive at retirement the

amount which may be purchased by the accumulated contributions based on annuity rates in effect on the date of purchase which do not utilize gender as a factor, except that such amounts shall not be less than the retirement income which can be provided by the sum of the amounts derived pursuant to subdivisions (a) and (b) of this subsection as follows:

(a) The income provided by the accumulated contributions made prior to January 1, 1984, based on male annuity purchase rates in effect on January 1, 1984, or male annuity purchase rates on the date of purchase, if greater than those in effect on January 1, 1984; and

(b) The income provided by the accumulated contributions made on and after January 1, 1984, based on the annuity purchase rates in effect on the date of purchase which do not use gender as a factor.

(3) Any amount, in excess of contributions, which may be required in order to purchase the retirement income specified in subsection (2) of this section shall be withdrawn from the County Equal Retirement Benefit Fund.

(4) Retirement benefits for persons who retire prior to January 1, 1984, shall not be affected by changes to this section which become operative on or after January 1, 1984.

Sec. 7. That section 23-2319, Revised Statutes Supplement, 1984, be amended to read as follows:

23-2319. (1) Any member of the retirement system who ceases to be an employee before his or her sixtieth birthday may, upon application, receive from the carrier (a) a termination benefit equal to the amount of his or her employee account payable in a lump sum plus a paid-up deferred annuity provided by the vested portion of the employer account under which the first annuity payment shall be made as of the first of the month immediately following the sixty-fifth birthday or (b) a paid-up deferred annuity provided by the employee account and the vested portion of the employer account under which the first annuity payment shall be made as of the first of the month immediately following the sixty-fifth birthday. If the terminating member does not make such application, he or she shall receive the benefits provided under subdivision (1)(b) of this section.

(2) At the option of the terminating member, any paid-up deferred annuity provided under subsection (1) of this section may commence as of the first of the

month at any time after such member attains the age of sixty and before his or her sixty-fifth birthday. Such election by the terminating member may be made at any time prior to the commencement of the annuity payments. Such paid-up deferred annuity shall be the actuarial equivalent, as determined by the group annuity contract, of the employee account together with the vested percentage of the employer account.

(3) The vesting percentage shall be one hundred after five years of participation. The vesting percentage shall equal one hundred for any disability retirement under the provisions of section 23-2315.

(4) If the terminating member shall not be credited with one hundred per cent of his or her employer account, the remainder shall be paid by the carrier to the county by whom the terminating member was employed first be used to meet the expense charges incurred by the Public Employees Retirement Board in connection with administering the system, and the remainder shall then be used to reduce the county contributions which would be otherwise required to fund future service retirement benefits.

Sec. 8. That section 23-2322, Revised Statutes Supplement, 1985, be amended to read as follows:

23-2322. All annuities or benefits which any person shall be entitled to receive under the County Employees Retirement Act shall not be subject to garnishment, attachment, or levy, and the same shall at all times be exempt from claims of creditors the operation of bankruptcy or insolvency, or any other process of law whatsoever and shall not be assignable, except that a judgment, decree, or order, including approval of a property settlement agreement, made pursuant to law that relates to child support, alimony payments, or marital property rights to a spouse, former spouse, child, or other dependent shall be complied with.

Sec. 9. That section 24-701, Revised Statutes Supplement, 1984, be amended to read as follows:

24-701. As used in sections 24-701 to 24-714, unless the context otherwise requires:

(1) Fund shall mean the Nebraska Retirement Fund for Judges;

(2) Judge shall mean and include (a) all duly elected or appointed Chief Justices or Judges of the Supreme Court and judges of the district courts of Nebraska, who shall serve in such capacity on and after January 3, 1957, (b) all duly appointed judges of the

Nebraska Workmen's Compensation Court who shall serve in such capacity on and after September 20, 1957, (c) judges of separate juvenile courts, (d) judges of the county courts of the respective counties, who shall serve in such capacity on and after January 5, 1961, except acting judges of the county court appointed pursuant to section 24-507, (e) judges of the county court and associate county judges, except (i) associate county judges serving on a pro tempore basis as designated by the Supreme Court or (ii) associate county judges appointed after August 26, 1983, and (f) judges of municipal courts established by Chapter 26, article 1, who served in such capacity on and after October 23, 1967, and prior to July 1, 1985;

(3) Prior service shall mean all the periods of time any person has served as a (a) Judge of the Supreme Court or judge of the district court prior to January 3, 1957, (b) judge of the county court prior to January 5, 1961, (c) judge of the Nebraska Workmen's Compensation Court prior to September 20, 1957, (d) judge of the separate juvenile court, or (e) judge of the municipal court prior to October 23, 1967;

(4) Current service shall mean the period of service (a) any Judge of the Supreme Court or judge of the district court shall serve in such capacity from and after January 3, 1957, (b) any judge of the Nebraska Workmen's Compensation Court shall serve in such capacity from and after September 20, 1957, (c) any county judge shall serve in such capacity from and after January 5, 1961, (d) any judge of a separate juvenile court shall have served in such capacity, (e) any judge of the municipal court shall serve in such capacity subsequent to October 23, 1967, and prior to July 1, 1985, and (f) any judge of the county court or associate county judge shall serve in such capacity subsequent to January 4, 1973;

(5) Military service shall mean active service of (a) any Judge of the Supreme Court or district court in any of the armed forces of the United States during a war or national emergency prior or subsequent to September 18, 1955, (b) any judge of the Nebraska Workmen's Compensation Court in any of the armed forces of the United States during a war or national emergency prior or subsequent to September 20, 1957, (c) any judge of the municipal court in any of the armed forces of the United States during a war or national emergency prior or subsequent to October 23, 1967, and prior to July 1, 1985, if such service commenced while such judge was holding the office of judge, and (d) any judge of the

county court or associate county judge in any of the armed forces of the United States during a war or national emergency prior or subsequent to January 4, 1973, if such service commenced while such judge was holding the office of judge. The board shall have the power to determine when a national emergency exists or has existed for the purpose of applying this definition and provision;

(6) Total years of service shall mean the total number of years served as a judge, including prior service, military service, and current service as defined in this section computed to the nearest one-twelfth year;

(7) Salary shall mean the statutory salary of a judge or the salary being received by such judge pursuant to law;

(8) Beneficiary shall mean a person so designated by a judge in the last written designation of beneficiary on file with the board or, if no designated person survives or if no designation is on file, the estate of such judge;

(9) Annuity shall mean a series of equal monthly payments payable at the end of each calendar month during the life of a retired judge. The first payment shall be made as of the end of the calendar month in which such annuity was awarded and the last payment shall be at the end of the calendar month in which such judge shall die. The first payment shall include all amounts accrued since the effective date of the award of annuities, including a pro rata portion of the monthly amount of any fraction of a month elapsing between the effective date of such annuity and the end of the calendar month in which such annuity began;

(10) Board shall mean the Public Employees Retirement Board;

(11) Member shall mean a judge, as defined in subdivision (2) of this section, eligible to participate in the retirement system established under the provisions of sections 24-701 to 24-714;

(12) Original member shall mean a judge who first served as a judge, as defined in subdivision (2) of this section, prior to December 25, 1969, and who does not elect to become a future member on or before June 30, 1970;

(13) Future member shall mean a judge who first served as a judge, as defined in subdivision (2) of this section, on or after December 25, 1969, or shall mean a judge who first served as a judge, as defined in subdivision (2) of this section, prior to December 25,

1969, who elects to become a future member on or before June 30, 1970, as provided in subsection (8) of section 24-703;

(14) Final average salary shall mean the average monthly salary for the last four years' service as a judge or, in the event of a judge serving less than four years, the average monthly salary for such judge's period of service. The final average salary of any judge who has retired or who will retire during or at the end of the presently current judicial term shall mean the average monthly salary for his or her last year of service before retirement;

(15) Regular interest shall mean the rate of 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, which may be credited monthly, quarterly, semiannually, or annually as the retirement board may direct: and

(16) Normal retirement date shall mean the first day of the month following attainment of age sixty-five; and

(17) Actuarial equivalence shall mean the equality in value of the aggregate amounts expected to be received under different forms of payment. The determinations are to be based on the 1971 Group Annuity Mortality Table reflecting sex-distinct factors blended using seventy-five per cent of the male table and twenty-five per cent of the female table. An interest rate of seven per cent per annum shall be reflected in making these determinations.

Sec. 10. That section 24-704, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

24-704. The general administration of ~~the provisions of~~ sections 24-701 to 24-714, except the investment of funds subject to investment under sections 72-1237 to 72-1260, is hereby vested in the Public Employees Retirement Board. The Attorney General shall be the legal advisor of the board. The Auditor of Public Accounts shall make an annual audit of the retirement system and file an annual report of its condition with the Clerk of the Legislature. Each member of the Legislature shall receive a copy of the annual report by making a request for such report to the Auditor of Public Accounts. The board shall make rules and regulations not inconsistent herewith, as may be necessary to carry out the provisions of sections 24-701 to 24-714. The board shall employ a director and such

assistants and employees as may be necessary to efficiently discharge the duties imposed by the provisions of sections 24-701 to 24-714. The director, in charge of the system, shall keep a record of all acts and proceedings taken by the officers. He or she shall keep a complete record of the names of all the members, their ages and length of service, the salary of each member, and such other facts as may be necessary in the administration of the provisions of sections 24-701 to 24-714. For the purpose of obtaining such facts, he the director shall have access to the records of the various departments of the state. A certified copy of a birth certificate or delayed birth certificate shall be prima facie evidence of the age of the person named therein. The board may contract with the state investment officer for investment services with payment for such services to be charged directly against the gross investment return of the fund. Charges so incurred shall not be a part of the board's annual budget request. The amounts of payment for such services, as of December 31 of each year, shall be reported not later than March 31 of the following year to the Nebraska Investment Council, the board, and members of the Nebraska Retirement Systems Committee. The state investment officer shall sell any such securities upon request from the officers of the system so as to provide money for the payment of benefits or annuities.

Sec. 11. That section 24-708, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

24-708. (1) Any judge may retire upon reaching the age of sixty-five and upon making application to the board. Any judge upon reaching age seventy-two shall retire. Upon retiring each such judge shall receive retirement annuities as provided in section 24-710.

(2) A judge may retire upon the attainment of age fifty-five and elect to receive a reduced monthly retirement income in lieu of a deferred vested annuity. The judge may request that the reduced monthly retirement income commence at any date, beginning on the first day of the month following the actual retirement date and ending on the normal retirement date. The amount of the monthly retirement income shall be calculated based on the length of service and average compensation at the actual retirement date and shall be reduced when the payments commence prior to the normal retirement date to an amount that is actuarially equivalent to the deferred vested annuity payable at the

normal retirement date.

(3) Payment of any benefit provided under sections 24-701 to 24-714 may not be deferred later than the sixtieth day after the end of the year in which the judge has both attained at least age seventy and one half years and terminated his or her employment as a judge.

Sec. 12. All annuities or benefits which any person shall be entitled to receive under Chapter 24, article 7, shall not be subject to garnishment, attachment, levy, the operation of bankruptcy or insolvency, or any other process of law whatsoever and shall not be assignable, except that a judgment, decree, or order, including approval of a property settlement agreement, made pursuant to law that relates to child support, alimony payments, or marital property rights to a spouse, former spouse, child, or other dependent shall be complied with.

Sec. 13. That section 24-710, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

24-710. (1) The retirement annuity of a judge, who is an original member, who has not made the election provided for in section 24-710.01, and who retires under the provisions of section 24-708 or 24-709, shall be computed as follows: Each such judge shall be entitled to receive an annuity, each monthly payment of which shall be in an amount equal to three and one-third per cent of his or her final average salary as such judge, multiplied by the number of his or her total years of service. ~~Any ; PROVIDED, that any supplemental salary provided for in section 24-301.01 or 24-513 shall be excluded for purposes of computing such annuity. The ; PROVIDED FURTHER, that the amount stated in this section shall be supplemental to any benefits received by such judge under the Nebraska and federal old age and survivors survivors' insurance acts at the date of retirement, but the monthly combined benefits received thereunder and by the provisions of sections 24-701 to 24-714 shall not exceed sixty-five per cent of the final average salary such judge was receiving when he or she last served as such judge. The ; AND PROVIDED FURTHER, the amount of retirement annuity of a judge who retires under the provisions of section 24-708 or 24-709 shall not be less than twenty-five dollars per month if he or she has four years or more of service credit.~~

(2) The retirement annuity of a judge who is an original member, who has made the election provided for in section 24-710.01, and who retires under the

provisions of section 24-708 or 24-709, shall be computed as follows: Each such judge shall be entitled to receive an annuity, each monthly payment of which shall be in an amount equal to three and one-third per cent of his or her final average salary as such judge, multiplied by the number of his or her total years of service. ~~Any ; PROVIDED, that any supplemental salary provided for in section 24-301.01 or 24-513 shall be excluded for purposes of computing such annuity. The ; AND PROVIDED FURTHER, that the monthly benefits received hereunder shall not exceed sixty per cent of the final average salary such judge was receiving when he or she last served as such judge.~~

(3) The retirement annuity of a judge who is a future member and who retires under the provisions of section 24-708 or 24-709 shall be computed as follows: Each such judge shall be entitled to receive an annuity, each monthly payment of which shall be in an amount equal to three per cent of his or her final average salary as such judge, multiplied by the number of his or her total years of service, except that the monthly benefits received under this subsection shall not exceed sixty per cent of the final average salary such judge was receiving when he or she last served as such judge. Any supplemental salary provided for in section 24-301.01 or 24-513 shall be excluded for purposes of computing any annuity specified in this subsection.

(4) Any member may, by filing with the board a written statement of intent before retirement, elect to receive, in lieu of the single life annuity benefits to which the member or his or her beneficiary may otherwise be entitled under sections 24-701 to 24-714, any form of annuity which the board may by rules and regulations provide, the value of which, determined by accepted actuarial methods and on the basis of actuarial assumptions recommended by the actuary, approved by the board, and kept on file in the office of the director, is equal to the value of the benefit replaced. The board shall promptly after September 2, 1973, (a) adopt and promulgate appropriate rules and regulations establishing joint and survivorship annuities, with and without reduction on the death of the first annuitant, and such other forms of annuities as may in its judgment be appropriate, (b) prescribe appropriate forms for making the election by the members, and (c) provide for the necessary actuarial services to make the required valuations.

(5) Notwithstanding anything to the contrary in Chapter 24, article 7, the annual benefit payable

under such article shall not at any time exceed the lesser of (a) ~~seventy-five ninety~~ thousand dollars, as adjusted for cost-of-living adjustments announced by the Internal Revenue Service for each calendar year in which the adjustment is announced, actuarially reduced to reflect distributions prior to age ~~fifty-five sixty-two~~, or (b) one hundred per cent of the member's average compensation for the highest three consecutive calendar years of service during which the member was an active member in the retirement system provided by Chapter 24, article 7. The maximum amount shall be adjusted, when necessary, as follows: (i) When the annual benefit is payable under this system to a member in a form other than a straight life annuity or a qualified joint and survivor annuity, the maximum amount shall be adjusted to the equivalent of a straight life annuity beginning at the same age on the basis of the actuarial assumptions referred to in subsection (4) of this section; and (ii) when the annual benefit is payable under this system to a member who has less than ten years of service under the system, the maximum amount shall be multiplied by a fraction, the numerator of which is the member's number of years of service under the system, and the denominator of which is ten. For purposes of this subsection, qualified joint and survivor annuity means an annuity for the life of the member with not less than fifty per cent nor more than one hundred per cent of the amount the member was receiving being paid to the member's surviving spouse for the life of the spouse following the death of the member.

Sec. 14. That section 79-1501, Revised Statutes Supplement, 1985, be amended to read as follows:

79-1501. As used in sections 79-1501 to 79-1557, unless the context otherwise requires:

(1) Accumulated contributions shall mean the sum of all amounts deducted from the compensation of a member and credited to his or her individual account in the School Employees' Savings Fund together with regular interest thereon, compounded annually;

(2) Beneficiary shall mean any person in receipt of a school retirement allowance or other benefit provided by sections 79-1501 to 79-1557;

(3) Member shall mean any person who has an account in the School Employees' Savings Fund;

(4) County school official shall mean the county superintendent or district superintendent and any person serving in his or her office who is required by

law to have a teacher's certificate;

(5) Creditable service shall mean prior service for which credit is granted under sections 79-1515 to 79-1518 plus all service rendered while a member of the retirement system, and shall include working days, sick days, vacation days, holidays, and any other leave days for which the employee is paid regular wages as part of the employee's agreement with the employer. Creditable service shall not include lump-sum payments to the employee upon termination or retirement in lieu of accrued benefits for such days;

(6) Disability retirement allowance shall mean the annuity paid to a person upon retirement for disability under section 79-1524;

(7) Employer shall mean the State of Nebraska or any subdivision thereof or agency of the state or subdivision authorized by law to hire school employees, as defined in this section, or to pay their salaries;

(8) Fiscal year shall mean any year beginning July 1 and ending June 30 next following;

(9) Regular interest shall mean interest at such a rate as shall be determined by the retirement board in conformity with actual and expected earnings on its investments;

(10) Junior school employee shall mean a school employee, as herein defined, who has not arrived at his or her twenty-first birthday anniversary on August 15 preceding;

(11) Present senior school employee shall mean a senior school employee, as herein defined, who was employed within the State of Nebraska on September 1, 1945;

(12) School employee shall mean the following persons who receive compensation from a public school: (a) Regular teachers and administrators employed on a written contract basis; (b) regular employees not certified, hired upon a full-time basis, which contemplates a work week of not less than thirty hours; and (c) part-time employees hired on a work week of not less than fifteen hours; Full-time employee shall mean a person whose services are engaged for full-time employment on an annual or continuing contract basis;

(13) Prior service shall mean service rendered as a school employee in the public schools of the State of Nebraska, as such is defined in this section, prior to July 1, 1945;

(14) Public school shall mean any and all schools supported by public funds and wholly under the control and management of the State of Nebraska, or any

subdivision thereof, including schools established, maintained, and controlled by the school boards of local school districts and schools under the control and management of the state colleges, the Board of Regents of the University of Nebraska, any educational service unit, and any other educational institution wholly supported by public funds;

(15) Retirement shall mean qualifying for and accepting a school or disability retirement allowance granted under sections 79-1501 to 79-1557;

(16) Retirement board or board shall mean the Public Employees Retirement Board, which shall administer the retirement system;

(17) Retirement system shall mean the school retirement system of the State of Nebraska provided for in sections 79-1501 to 79-1557;

(18) Required deposit shall mean the deduction from a member's compensation as provided for in section 79-1531 which shall all be deposited in the School Employees' Savings Fund;

(19) School year shall mean one fiscal year which shall include not less than one thousand thirty-two instructional hours ~~hundred twenty teaching days~~ or, in the case of service in the State of Nebraska prior to July 1, 1945, not less than seventy-five per cent of the then legal school year;

(20) Senior school employee shall mean a school employee, as herein defined, who has arrived at his or her twenty-first birthday anniversary on August 15 preceding;

(21) Service shall mean service as a school employee;

(22) School retirement allowance shall mean the total of the savings annuity and the service annuity paid a person who has retired under the provisions of sections 79-1520 and 79-1521. The monthly payments shall be payable at the end of each calendar month during the life of a retired member. The first payment shall include all amounts accrued since the effective date of the award of annuity, including a pro rata portion of the monthly amount of any fraction of a month elapsing between the effective date of such annuity and the end of the calendar month in which such annuity began. The last payment shall be at the end of the calendar month in which such member shall die;

(23) Service annuity shall mean payments for life, made in equal monthly installments, derived from appropriations made by the State of Nebraska to the retirement system;

(24) State deposit shall mean the deposit by the state in the retirement system on behalf of any member;

(25) State school official shall mean the Commissioner of Education and his or her professional staff and the assistant commissioner of education in charge of vocational education and his or her professional staff;

(26) School employee shall mean any employee of a public school whose services are engaged for at least half-time employment on an annual or continuing contract basis;

(27) (26) Savings annuity shall mean payments for life, made in equal monthly payments, derived from the accumulated contributions of a member;

(28) (27) Emeritus member shall mean a person who has entered retirement under the provisions of sections 79-1501 to 79-1557, including those persons who have retired since July 1, 1945, under any other regularly established retirement or pension system as contemplated by section 79-1512, and who has thereafter been reemployed in any capacity by a public school in Nebraska, or has become a state school official or county school official subsequent to such retirement, and who has applied to the board for emeritus membership in the retirement system. The school district or agency shall certify to the retirement board on forms prescribed by the retirement board that the annuitant was reemployed, rendered a service, and was paid by the district for such services; and

(29) (28) Primary carrier shall mean the life insurance companies and trust companies designated as the underwriter or trustee of the retirement system; and

(29) Actuarial equivalent shall mean the equality in value of the aggregate amounts expected to be received under different forms of payment. Such actuarial equivalent conversions shall be based on the annuity purchase rates in effect on the date of retirement or on the date an optional form of payment is elected and becomes payable. The annuity purchase rates shall be established by the insurance carrier for purposes of converting the accumulated contributions to an annuity, subject to acceptance by the board. The resulting sex-distinct factors shall be blended using seventy-five per cent of the female factor and twenty-five per cent of the male factor.

Sec. 15. Notwithstanding anything to the contrary in Chapter 79, article 15, the annual benefit payable under such article shall not at any time exceed

the lesser of (1) ninety thousand dollars, as adjusted for cost-of-living adjustments announced by the Internal Revenue Service for each calendar year in which the adjustment is announced, actuarially reduced to reflect distributions prior to age sixty-two, or (2) one hundred per cent of the member's average compensation for the highest three consecutive calendar years of service during which the member was an active member in the retirement system provided by Chapter 79, article 15. The maximum amount shall be adjusted, when necessary, as follows: (a) When the annual benefit is payable under this system to a member in a form other than a straight life annuity or a qualified joint and survivor annuity, the maximum amount shall be adjusted to the actuarial equivalent of a straight life annuity; and (b) when the annual benefit is payable under this system to a member who has less than ten years of service under the system, the maximum amount shall be multiplied by a fraction, the numerator of which is the member's number of years of service under the system and the denominator of which is ten.

Sec. 16. That section 79-1514, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1514. The membership of any person in the retirement system shall cease only if he or she (1) withdraws his or her accumulated contributions under the provisions of section 79-1527, (2) retires on a school or formula or disability retirement allowance, or (3) dies. The retirement board shall reinstate to membership, with the same status as when such membership ceased, a school employee who has withdrawn his or her accumulated contributions if he or she again becomes an employee, within the third school year following the school year in which he or she first ceased to be an employee, and repays to the retirement board the amount he or she has withdrawn and interest ~~thereon~~ at the rate of three per cent per annum which would have been paid on such amounts from the date of withdrawal to the date of reinstatement. If such withdrawals are not so repaid with interest, the school employee shall enter the system as a new member with no prior rights.

Sec. 17. That section 79-1521, Revised Statutes Supplement, 1984, be amended to read as follows:

79-1521. (1) Any member in service who attains or shall have attained the age of seventy years shall be retired forthwith from active duty as a school employee, except ; PROVIDED; that, with the approval of

his or her employer, given from year to year, he or she may remain in service beyond the attainment of age seventy. A member who remains in service past seventy years of age shall make deposits in the School Employees' Savings Fund as provided in section 79-1531, and shall receive further credit toward any service annuity.

The provision for mandatory retirement at age seventy shall not apply to elected officials.

(2) Payment of any benefit provided under the retirement system may not be deferred later than the sixtieth day after the end of the year in which the member has both attained at least age seventy and one half years and terminated his or her employment with the school system.

Sec. 18. That section 79-1522, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1522. (1) Upon retirement under the provisions of sections 79-1520 and 79-1521, if he or she has five or more years of creditable service, a member or emeritus member shall receive a school retirement allowance which shall consist of the sum of: (a) A savings annuity which shall be the actuarial equivalent, as determined by the retirement board, of the member's accumulated contributions at the time of his or her retirement; or, in the case of an emeritus member, the savings annuity fixed by the retirement board at the time of his or her original retirement; and (b) a service annuity to be paid by the State of Nebraska. The amount of any individual service annuity for a full-time school employee or emeritus member shall be three dollars and fifty cents per month for each year of service commencing with his or her retirement on or after May 19, 1981. Each school employee or emeritus member who retired before July 1, 1973, and who is receiving a service annuity as of that date shall have such service annuity adjusted by the increase in the cost of living as determined by the difference between the Consumers Price Index for Urban Wage Earners and Clerical Workers from the date the service annuity commenced and July 1, 1973, except that such annuity shall not exceed three dollars and fifty cents monthly per year of service, based on the same number of years of service that is currently being used to determine his or her service annuity. Such increased service annuity shall commence on July 1, 1973.

(2) Under such rules and regulations as the board may ~~prescribe~~ adopt and promulgate, an employee,

upon rejoining the system or first becoming a member, may receive credit for not to exceed ten years of creditable teaching service rendered in public schools in another state or schools in this state covered by the school retirement system established pursuant to section 79-1033 if such member shall have paid into the school retirement system of the State of Nebraska an amount equal to the required deposits he or she would have paid had he or she been employed in this state, with such required deposits to be paid as the board may direct plus the interest which would have accrued on such amount, within three years after membership or reinstatement in the retirement system begins.

(3) A member who retires as a school employee of this state shall not receive credit for time in service outside of this state or in a school in this state covered by the school retirement system established pursuant to section 79-1033 in excess of the time he or she has been in service as a school employee in this state. In order to receive such out-of-state credit such member ~~must~~ shall be employed as a school employee in this state at the time of his or her retirement.

(4) For a beneficiary who is employed as a public school substitute employee for more than seventy-five per cent of the instructional hours ninety days in any school year, the state service annuity shall be reduced by fifty per cent. A ; PROVIDED; a person receiving a retirement benefit may waive the payments and return to regular employment in a public school of this state if the beneficiary shall notify the retirement board in advance of the time and place of such employment. This notice shall be in writing upon forms prescribed by the retirement board. Any person collecting retirement payments without filing such notice shall be subject to a withholding of future retirement benefits equal to twice the amount collected after being regularly employed. The amount of individual service annuity for a part-time employee shall be determined on a proportional basis.

(5) Under such rules and regulations as the board may ~~prescribe~~ adopt and promulgate, any member who was away from his or her position while on a leave of absence from such position authorized by the school board or board of education of the school district by which he or she was employed at the time of such leave of absence or pursuant to any contractual agreement entered into by such school district may receive credit for such time as he or she was on leave of absence.

Such credit shall increase the benefits provided by the retirement system and shall be included in creditable service when determining eligibility for death, disability, termination, and retirement benefits. The member who receives the credit shall earn benefits during the leave based on salary at the level received immediately prior to the leave of absence. Such credit shall be allowed if such member shall have paid into the system an amount equal to the sum of the deductions from his or her salary and any contribution which the school district would have been required to make had he or she continued to receive salary at the level received immediately prior to the leave of absence, with such deposits to be paid as the board may direct within three years of the termination of his or her leave of absence. Leave of absence shall be construed to include, but not be limited to, sabbaticals, maternity leave, exchange teaching programs, full-time leave as an elected official of a professional association or collective-bargaining unit, or leave of absence to pursue further education or study. A leave of absence granted pursuant to this subsection shall not exceed four years in length and in order to receive credit for the leave of absence the member must return to employment with a school district, other than a Class V school district, in the state within one year after termination of the leave of absence.

(6) From January 1, 1987, to June 30, 1988, any person who was a school employee in (a) another state or (b) a school in this state covered by the school retirement system established pursuant to section 79-1033 prior to the effective date of this act and has joined or rejoined the school retirement system of the State of Nebraska may elect to pay the retirement system for up to ten years of service which he or she accumulated in such other state or retirement system. The amount to be paid shall not exceed the contribution which would have been paid into the school retirement system of the State of Nebraska based on the salary and years of service out of state or under the school retirement system established pursuant to section 79-1033 earned by the school employee, as verified by officials of the other state or retirement system, plus the interest which would have accrued on such amount under the school retirement system of the State of Nebraska. Any person who pays such amount shall be given credit for any number of years of service which he or she has elected to pay for, not to exceed ten years of service rendered as a school employee in such other

state or retirement system, and shall be given the same status as though he or she had been a member of the school retirement system of the State of Nebraska for such number of years. This subsection shall not apply to school employees retiring prior to the effective date of this act.

Sec. 19. That section 79-1532, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1532. On June 30 of each year the retirement board shall credit the The account of each member in the School Employees' Savings Fund shall be credited with regular interest earned commencing July 1; 1974 monthly, quarterly, semiannually, or annually as the retirement board may direct.

Sec. 20. That section 79-1552, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1552. The right of a person to a school or formula or disability retirement allowance or any optional benefit, any other right accrued or accruing to any person or persons under the provisions of sections 79-1501 to 79-1557, the various funds created thereby and all the money, investments, and income thereof, are hereby exempt from any state, county, municipal, or other local tax and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or any other process of law whatsoever, and shall not be assignable, except that a judgment, decree, or order, including approval of a property settlement agreement, made pursuant to law that relates to child support, alimony payments, or marital property rights to a spouse, former spouse, child, or other dependent shall be complied with.

Sec. 21. That section 79-1556, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1556. The retirement board may contract with the state investment officer for investment services with payment for such services to be charged directly against the gross investment returns of the fund. Charges so incurred shall not be a part of the board's annual budget request. The amounts of payment for such services, as of December 31 of each year, shall be reported not later than March 31 of the following year to the Nebraska Investment Council, the retirement board, and members of the Nebraska Retirement Systems Committee. All money received by the State Treasurer and the retirement board for the retirement system shall

be invested by the state investment officer within thirty-one days of receipt.

Sec. 22. That section 79-1565, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1565. (1) An individual who was prior to July 19, 1980, is a state school official as defined in section 79-1501, may, within thirty days after July 19, 1980, file with the retirement board an election not to be included in the membership of the retirement system established pursuant to Chapter 79, article 15. Any person so electing shall and did not become a member of the State Employees Retirement System pursuant to Chapter 84, article 13, may, within sixty days after September 1, 1986, elect to become a member of such system, and upon such election an individual so electing shall pay the contributions required by such system when all eligibility requirements, except for the service and minimum age requirements have been met.

(2) Any such employee shall be eligible for immediate participation in the State Employees Retirement System with no minimum period of service if the minimum age requirement and length of service requirements under the State Employees Retirement System or the School Retirement System have been met and ~~total~~ the requirements met are equal to the requirements of the State Employees Retirement System.

(3) A state school official employed by the State Department of Education after July 19, 1980, shall become a member of the State Employees Retirement System.

(4) An employee electing not to be covered by the School Retirement System under ~~the provisions of this act~~ this section shall not be subject to section 79-1529, but shall be allowed to retain his or her accumulated contribution in the system and continue to become vested in the state's accumulated contribution as well as the State Employees Retirement System according to the following:

(a) The years of participation in the School Retirement System before an election is made ~~as provided in this act~~ plus the years of participation in the State Employees Retirement System after the election is made ~~as provided in this act~~, shall both be credited toward compliance with the five-year service requirement provided under section 79-1522; ~~and -~~

(b) The years of participation in the School Retirement System before the election is made ~~as provided in this act~~ plus the years of participation in

the State Employees Retirement System after the election is made as provided in this act shall both be credited toward compliance with section 84-1321.

Sec. 23. That section 81-1325, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1325. Each employee who meets the minimum age and service requirements for is eligible for retirement under any existing state or federal retirement system shall, upon termination of his employment with the state by reason of retirement or voluntary resignation in lieu of retirement, be entitled to a one-time payment of one-fourth of his or her accumulated unused sick leave, with the rate of payment based upon his or her regular pay at the time of termination or retirement. Upon the death of an employee, his or her beneficiary shall be paid one-fourth of his or her accumulated unused sick leave, with the rate of payment based upon his or her regular pay at the date of his death.

Sec. 24. That section 81-2022, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-2022. The state investment officer may invest such funds of the system as the board shall certify to the Nebraska Investment Council under the provisions of sections 72-1237 to 72-1259; 72-1269 and shall sell any such securities upon request from the officers of the system so as to provide money for the payment of benefits or annuities. Payment for investment services shall be charged directly against the gross investment returns of the fund. Charges so incurred shall not be a part of the board's annual budget request. The amounts of payment for such services, as of December 31 of each year, shall be reported not later than March 31 of the following year to the Nebraska Investment Council, the board, and members of the Nebraska Retirement Systems Committee.

Sec. 25. That section 81-2025, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-2025. (1) Every patrolman patrol officer 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 patrol officer shall be entitled to retire and receive an annuity as provided by law. Every ; and every patrolman patrol officer who shall have been in the employ of the state as such for twenty years or more and has attained the age of 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 years shall be at the option of the patrolman patrol officer but such retirement shall be mandatory upon the patrolman's patrol officer's attaining the age of sixty years.

(3) Any patrolman patrol officer who has attained the age of sixty years upon his or her 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 81-2014 to 81-2034 upon payment by the patrolman patrol officer of such sum as will result by multiplying the number of months which he or she would be required to serve so as to complete twenty years of service by the amount of his or her monthly salary deductions at the time when he or she attains the age of sixty years.

(4) Payment of any benefit provided under sections 81-2014 to 81-2034 may not be deferred later than the sixtieth day after the end of the year in which the patrol officer has both attained at least age seventy and one half years and terminated his or her employment with the Nebraska State Patrol.

Sec. 26. That section 81-2026, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-2026. (1) Any officer qualified for an annuity, as provided in section 81-2025 for reasons other than disability, shall be entitled to receive a monthly annuity for the remainder of the officer's life. The amount of the annuity shall be a percentage of the officer's final average monthly salary. 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 81-2033, except ; PROVIDED, that the percentage shall never be greater than 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 annuity which would apply if the member were age fifty-five at the date of retirement shall be reduced by five-ninths of one per cent for each month by which the early retirement date precedes age fifty-five. Any ; PROVIDED, that any officer who has completed thirty years of service with the Nebraska State Patrol shall have retirement benefits computed as if the officer had reached the age of fifty-five. For purposes of this computation, final average monthly salary is

defined to be the sum of the officer's total salary during the final three years of service as an officer divided by thirty-six.

(2) Any officer qualified for an annuity, as provided in section 81-2025 for reasons of disability, shall be entitled to receive a monthly annuity for the remainder of the period of disablement, as provided in sections 81-2028 to 81-2030. The amount of the annuity shall be fifty per cent of the officer's monthly salary at the date of disablement.

(3) Upon the death of an officer after retirement for reasons other than disability, the officer's surviving spouse, if married to the officer prior to the last four years of service of such officer prior to retirement, shall continue to receive fifty per cent of the amount of such officer's annuity for the remainder of the surviving spouse's life or until the surviving spouse remarries. ~~If , PROVIDED, that if~~ the surviving spouse has a dependent child or children under age nineteen in his or her care, the benefit shall be seventy-five per cent of the amount of such officer'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 an officer's annuity. If there is no surviving spouse living at the date of the officer's death, the officer's child or children, if any, shall continue to receive fifty per cent of the amount of such officer'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 an officer after retirement for reasons of disability, benefits shall be provided as if the officer had retired for reasons other than disability, except that it shall not be required that the surviving spouse have been married to him or her for the last four years in order to qualify for such benefits. Upon the death of an officer before retirement, benefits shall be provided as if the officer had retired for reasons of disability on the date of such officer's death as follows: (a) To the surviving spouse and dependent child or children under age nineteen in such spouse's care, the benefit shall be one hundred per cent of the amount of such officer's annuity until such time as the youngest dependent child attains

the age of nineteen years after which time the benefit shall be reduced to seventy-five per cent of the officer's annuity for the remainder of his or her life, or until he or she remarries; (b) if there is no spouse living at the date of the officer's death, his or her child or children, if any, shall continue to receive seventy-five per cent of the amount of such officer's annuity until such time as the youngest child attains the age of nineteen years; (c) if there should be more than one child under the age of nineteen years at the date of the officer's death, the benefit shall be divided equally among such children and, as they attain the age of nineteen years, only the child or children under the age of nineteen shall participate therein; and (d) if there is no child or children under age nineteen living at the date of the officer's death, the surviving spouse shall receive seventy-five per cent of the amount of such officer's annuity for the remainder of his or her life, or until he or she remarries. ~~that if~~ ~~PROVIDED,~~ ~~that if~~ no benefits are paid to a surviving spouse or dependent children, benefits will be paid as described in subsection (1) of section 81-2031.

(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 September 2, 1977. No benefits being paid under the system on September 2, 1977, shall be modified, in any way, by the enactment of this act.

(5) Notwithstanding anything to the contrary in Chapter 81, article 20, the annual benefit payable under such article shall not at any time exceed the lesser of (a) ~~seventy-five~~ ~~ninety~~ thousand dollars, as adjusted for cost-of-living adjustments announced by the Internal Revenue Service for each calendar year in which the adjustment is announced, actuarially reduced to reflect distributions prior to age ~~fifty-five~~ ~~sixty-two~~, or (b) one hundred per cent of the member's average annual compensation for the three consecutive calendar years of service during which the member received his or her highest compensation and was an active member in the retirement system provided by Chapter 81, article 20. The maximum amount shall be adjusted, when necessary, as follows: (i) When the annual benefit is payable under this system to a member in a form other than a straight life annuity or the joint and survivor annuity described by subsections (1) and (3) of this section the maximum amount shall be adjusted to the equivalent of a straight life annuity beginning at the same age on the basis of actuarial assumptions recommended by the actuary,

approved by the board, and kept on file with the board; (ii) when the annual benefit is payable under this system to a member who has less than ten years of service under the system, the maximum amount shall be multiplied by a fraction, the numerator of which is the member's number of years of service under the system, and the denominator of which is ten.

Sec. 27. That section 81-2031, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-2031. (1) Should any patrolman patrol officer, prior to becoming eligible to retire, as provided in section 81-2025, become separated from state service as a patrolman patrol officer for reasons other than death or disability, either voluntarily or involuntarily, such patrolman patrol officer shall thereupon be entitled to receive all payments which have been made by salary deductions into the fund created by sections 81-2014 to 81-2034 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 and credited monthly, quarterly, semiannually, or annually as the retirement board may direct.

(2) In lieu of the benefit described in subsection (1) of this section, the patrolman patrol officer may elect to receive a deferred annuity to commence at any age from fifty to fifty-five. If this election is made, the contributions made to the system by the patrolman patrol officer may not be withdrawn from the system. The deferred annuity is computed as a percentage of the retirement annuity, as computed in subsection (1) of section 81-2026. 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 patrol officer during the deferred period, the accumulated value of the patrolman's patrol officer's contributions at the date of termination plus regular interest to the date of his or her death shall be paid to such patrolman's patrol officer's beneficiary.

Sec. 28. That section 81-2032, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-2032. All annuities or benefits which any person shall be entitled to receive under the provisions of sections 81-2014 to 81-2034 shall not be subject to

garnishment, attachment, or levy, and the same shall at all times be exempt the operation of bankruptcy or insolvency, or any other process of law whatsoever and shall not be assignable, except that a judgment, decree, or order, including approval of a property settlement agreement, made pursuant to law that relates to child support, alimony payments, or marital property rights to a spouse, former spouse, child, or other dependent shall be complied with.

Sec. 29. That section 84-1301, Revised Statutes Supplement, 1984, be amended to read as follows:

84-1301. As used in sections 84-1301 to 84-1331 the State Employees Retirement Act, unless the context otherwise requires:

(1) Employee shall mean any employee of the State Board of Agriculture who is a member of the state retirement plan on July 1, 1982, and any person or officer employed by the State of Nebraska whose compensation is paid out of state funds or funds controlled or administered by a state department through any of its executive or administrative officers when acting exclusively in their respective official, executive, or administrative capacities; but shall not include judges, except associate county judges appointed after August 26, 1983, members of the Nebraska State Patrol, employees of the University of Nebraska, employees of the state colleges, employees of technical community colleges, employees of the Department of Labor employed prior to July 1, 1984, and paid from funds provided pursuant to Title III of the Social Security Act or funds from other federal sources, the Commissioner of Labor employed prior to July 1, 1984, employees of the State Board of Agriculture who are not members of the state retirement plan on July 1, 1982, the Nebraska National Guard air and army technicians, or persons eligible for membership under the School Retirement System of the State of Nebraska who have not elected to become members of the system pursuant to subsection (1) of section 79-1565 or been made members of the system pursuant to subsection (3) of section 79-1565, except that those persons so eligible and who as of September 2, 1973, are contributing to the State Employees Retirement System shall continue as members of such system. Any individual appointed by the Governor may elect not to become a member of such retirement system;

(2) Part-time employee shall mean an employee who works less than one half of the regularly scheduled

hours;

(3) Retirement shall mean qualifying for and terminating employment after becoming qualified to receive the ~~accepting~~ a retirement allowance granted under ~~sections 84-1301 to 84-1331~~ the State Employees Retirement Act;

(4) Retirement board or board shall mean the Public Employees Retirement Board;

(5) Retirement system shall mean the State Employees Retirement System of the State of Nebraska;

(6) Required contribution shall mean the deduction to be made from the salary of employees as provided in section 84-1308;

(7) Service shall mean the actual total length of employment as an employee and shall include leave of absence because of disability or military service when properly authorized by the retirement board, but shall not include any period of disability for which disability retirement benefits are received under the provisions of section 84-1317;

(8) Straight life annuity shall mean an ordinary annuity payable for the life of the primary annuitant only and terminating at his or her death without refund or death benefit of any kind;

(9) Prior service shall mean service before January 1, 1964;

(10) Group annuity contract shall mean the contract or contracts issued by one or more life insurance companies to the board in order to provide the benefits described in sections 84-1319, 84-1320, 84-1321, and 84-1323 to 84-1323.02;

(11) Primary carrier shall mean the life insurance company or trust company designated as the administrator of the group annuity contract;

(12) State department shall mean any department, bureau, commission, or other division of state government, not otherwise specifically defined or exempted in ~~sections 84-1301 to 84-1331~~ the State Employees Retirement Act, whose employees and officers are not already covered by a retirement plan;

(13) Disability shall mean an inability to engage in a substantially gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration;

(14) Date of disability shall mean the date on which a member is determined to be disabled by the board;

(15) Regular interest shall mean the rate of

interest earned each calendar year commencing January 1, 1975, as determined by the retirement board in conformity with actual and expected earnings on its investments;

(16) Fund shall mean the State Employees Retirement Fund created by section 84-1309;

(17) Guaranteed investment contract shall mean an investment contract which guarantees that the account maintained for any participant will not decrease in value, but will increase each year by the contribution allocated to the account and by investment earnings and will decrease by the amount of expenses reasonably determined to be allocated to the account; and

(18) Investment manager shall mean one or more insurance companies, bank trust departments, or independent investment advisors designated to invest any portion of the fund.

Sec. 30. That section 84-1307, Revised Statutes Supplement, 1984, be amended to read as follows:

84-1307. The membership of the retirement system shall be composed of (1) all permanent full-time employees who have been employees for a period of twenty-four continuous months at any time and who have attained the age of thirty and (2) all full-time or part-time employees, who have been employees for a total of twelve months, who have attained the age of twenty-five, and who exercise the option to join the retirement system. An employee who exercises the option to join the retirement system pursuant to this section shall remain in the retirement system until his or her termination or retirement. within sixty days after completion of the twelfth month of employment, except that any employee, twenty-five years of age or older, who has completed the twelfth month of employment prior to August 26, 1983, may exercise the option to join at any time within sixty days after August 26, 1983. Membership shall not include part-time or temporary employees, except (a) such part-time employees who have been full-time employees but because of age or otherwise have been partially incapacitated and have been placed on a part-time service basis at a part-time rate of pay under rules and regulations of the retirement board, (b) such part-time employees who are members of the system, and (c) part-time employees who join the system as provided in subdivision (2) of this section.

Sec. 31. That section 84-1311, Revised Statutes Supplement, 1984, be amended to read as follows:

84-1311. (1) A member's share of the fund arising from the state contributions made in accordance with section 84-1309 shall be known as his or her employer account. Prior to January 1, 1981, as of any January 1 a member's employer account shall be equal to his or her account as of the next preceding January 1, increased by one hundred four per cent of any amounts deducted from the member's salary since the next preceding January 1 in accordance with section 84-1308. As of January 1, 1982, a member's employer account shall be equal to the account as of January 1, 1981, increased by one hundred four per cent of the amounts deducted from the member's salary for the first nine months of the year and one hundred fifty-six per cent of the amount so deducted for the final three months of the year in accordance with section 84-1308. As of January 1, 1983, and each year thereafter, the member's employer account shall be equal to the account as of the next preceding January 1 increased by one hundred fifty-six per cent of any amounts deducted from the member's salary since the next preceding January 1 in accordance with section 84-1308. The member's employer account shall be increased by any interest allocated under the provisions of the guaranteed investment contract and reduced by any expense charges made under the provisions of the guaranteed investment contract and by any expense charges incurred by the Public Employees Retirement Board in connection with administering the system in excess of those provided for in section 84-1321, except that a member who ceased being an employee since the next preceding January 1 may have his or her employer account reduced in accordance with the provisions of section 84-1321.

(2) Notwithstanding anything to the contrary in Chapter 84, article 13, the total additions made to both the employee account and the employer account for any calendar year shall not exceed the lesser of thirty thousand dollars, as adjusted for cost-of-living adjustments announced by the Internal Revenue Service for each calendar year in which the adjustment is announced, or twenty-five per cent of the member's salary for such year. For purposes of this subsection, total additions for a calendar year shall equal the full amount allocated to the employer account for that year plus the lesser of (a) one half of the member's contributions for that year or (b) the amount of the member's contributions in excess of six per cent of his or her salary for that year.

Sec. 32. That section 84-1317, Revised

Statutes Supplement, 1984, be amended to read as follows:

84-1317. An employee may elect to retire on the attainment of age sixty-five or on the attainment of age ~~sixty~~ fifty-five after five years of service. ~~With the approval of the department concerned and the employee, an employee may retire on the attainment of age sixty regardless of the number of years of service.~~ An employee may retire as a result of disability at any age.

Any employee shall be required to retire at the end of the month in which his or her seventieth birthday occurs, except that with the annual approval of the department concerned and the employee, such employee may continue his or her employment beyond the attainment of age seventy, except that members of commissions and boards who serve periodically and only receive authorized per diems or expenses shall not be required to retire at age seventy.

The first of the month immediately following the last day of work shall be the retirement date, except that disability retirement benefits shall be paid from the date of disability as determined by the board. The provisions pertaining to mandatory retirement shall not apply to elected officials. First payments pertaining to retirements under prior service provisions of the State Employees Retirement Act sections 84-1301 to 84-1331 shall be made at such time as the retirement board may determine.

Payment of any benefit provided under the retirement system may not be deferred later than the sixtieth day after the end of the year in which the employee has both attained at least age seventy and one half years and terminated his or her employment with the state.

Sec. 33. That section 84-1319, Revised Statutes Supplement, 1984, be amended to read as follows:

84-1319. (1) The future service retirement benefit shall be an annuity, payable monthly with the first payment made as of the retirement date, which shall be the actuarial equivalent of the retirement value based on factors determined by the board, except that gender shall not be a factor when determining the amount of such payments, except as provided in pursuant to subsection (2) of this section.

At any time before the retirement date, the retiring employee may choose to receive his or her annuity either in the form of a straight life annuity or

any optional form that is determined acceptable by the board.

In lieu of the future service retirement annuity, a retiring employee may, upon application to the board, receive a retirement transition benefit which shall not exceed twenty-five per cent of the value of the member's employee account and an annuity which shall be equal to the actuarial equivalent of the remainder of the retirement value, and the employee may choose any form of such annuity as provided for by the board. In the alternative, a retiring employee may elect to receive the entire amount in his or her employee account, except that if he or she selects such alternative, he or she shall forfeit the accumulated sums in his or her employer account.

In any case, the amount of the monthly payment shall be such that the annuity chosen shall be the actuarial equivalent of the retirement value, except as provided in this section.

The board shall provide to any state employee who is eligible for retirement, prior to his or her selecting any of the retirement options provided by this section, information on the federal and state income tax consequences of the various annuity or retirement benefit options.

(2) The monthly annuity income payable to a member retiring on or after January 1, 1984, shall be as follows:

He or she shall receive at retirement the amount which may be purchased by the accumulated contributions based on annuity rates in effect on the date of purchase which do not utilize gender as a factor, except that such amounts shall not be less than the retirement income which can be provided by the sum of the amounts derived pursuant to subdivisions (a) and (b) of this subsection as follows:

(a) The income provided by the accumulated contributions made prior to January 1, 1984, based on male annuity purchase rates in effect on January 1, 1984, or male annuity purchase rates on the date of purchase, if greater than those in effect on January 1, 1984; and

(b) The income provided by the accumulated contributions made on and after January 1, 1984, based on the annuity purchase rates in effect on the date of purchase which do not use gender as a factor.

(3) Any amounts, in excess of contributions, which may be required in order to purchase the retirement income specified in subsection (2) of this

section shall be withdrawn from the State Equal Retirement Benefit Fund.

(4) Retirement benefits for persons who retire prior to January 1, 1984, shall not be affected by changes to this section which become operative on or after January 1, 1984.

(5) At the option of the retiring member, any annuity provided under this section or section 84-1320 may be deferred to commence as of the first of the month at any time prior to the member's seventieth birthday. Such election by the retiring member may be made at any time prior to the commencement of the annuity payments. Such deferred annuity shall be the actuarial equivalent, based on factors designated by the board, of the retirement value, or of the prior service annuity for an annuity provided under section 84-1320.

Sec. 34. That section 84-1320, Revised Statutes Supplement, 1984, be amended to read as follows:

84-1320. The prior service retirement benefit shall be a straight life annuity, payable monthly with the first payment made as of the retirement date, in an amount determined in accordance with section 84-1312, except that the payments may be made less often than monthly if the monthly payment would be less than fifteen dollars. At the option of the member, the first payment may be deferred to commence as of the first of the month at any time prior to the member's seventieth birthday. Such deferred benefit shall be the actuarial equivalent, based on factors designated by the board, of the prior service benefit. In the event of retirement before age sixty-five under section 84-1317, the amount of the prior service annuity shall be reduced in accordance with the principles of actuarial equivalence based on factors designated by the board. Any member of the retirement system who ceases to be an employee before becoming eligible for retirement under section 84-1317, who has accrued a prior service retirement benefit as defined in section 84-1312, and who has been continuously employed by the state for ten or more years immediately prior to termination, shall receive the prior service retirement benefit determined in accordance with section 84-1312 upon attaining age sixty-five. At the option of the terminating member, such annuity may commence as of the first of the month at any time after such member attains the age of fifty-five ~~sixty~~ and before his or her ~~sixty-fifth~~ seventieth birthday. Such election by the terminating member may be made at any time prior to the commencement

of the annuity payments. Any terminating employee who forfeits a vested future service retirement benefit by withdrawing his or her employee account shall also forfeit any vested prior service retirement benefit to which he or she would otherwise be entitled.

Sec. 35. That section 84-1321, Revised Statutes Supplement, 1984, be amended to read as follows:

84-1321. (1) Any member of the retirement system who ceases to be an employee before becoming eligible for retirement under section 84-1317 may, upon application to the board, receive (a) a termination benefit equal to the amount in his or her employee account payable in a lump sum plus a paid-up deferred annuity provided by the vested portion of the employer account under which the first annuity payment shall be made as of the first of the month immediately following the sixty-fifth birthday or (b) a paid-up deferred annuity provided by the employee account and the vested portion of the employer account under which the first annuity payment shall be made as of the first of the month immediately following the sixty-fifth birthday. If the terminating member does not make application he or she shall receive the benefits provided under subdivision (1)(b) of this section, except that any person who has been a member of the retirement system and has terminated his or her employment prior to ~~July 17, 1983~~ September 1, 1986, and has not withdrawn the amount in his or her employee account shall have the option upon application prior to ~~January 17, 1984~~ March 1, 1987, to receive the benefit provided in subdivision (1)(a) of this section.

(2) At the option of the terminating member, any paid-up deferred annuity provided under subsection (1) of this section may commence as of the first of the month at any time after such member attains the age of ~~forty-five~~ sixty and before his or her ~~sixty-fifth~~ seventieth birthday. Such election by the terminating member may be made at any time prior to the commencement of the annuity payments. Such paid-up deferred annuity shall be the actuarial equivalent, based on factors designated by the board, of the employee account and the vested portion of the employer account.

(3) The vesting percentage shall be one hundred after five years of participation in the retirement plan. The vesting percentage shall equal one hundred for any disability retirement under section 84-1317.

(4) In the event that the terminating member

shall not be credited with one hundred per cent of his or her employer account, the remainder shall be credited to the State Employees Retirement Fund and shall be applied to reduction of the liability for prior service benefits until such time as such liability is completely funded, and thereafter the remainder shall first be used to meet the expense charges incurred by the Public Employees Retirement Board in connection with administering the system and the remainder shall then be used to reduce the state contribution which would otherwise be required to fund future service retirement benefits.

Sec. 36. That section 84-1322, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

84-1322. (1) Except as provided in subsection (2) of this section, a member of the system who ceases to be an employee shall, upon again becoming an employee, be considered a new employee with respect to the provisions of sections 84-1301 to 84-1331 State Employees Retirement Act.

(2) A member of the system who terminates before his or her retirement date and again becomes a state employee within five years after the termination date or within an amount of time equal to the employee's original length of service, whichever is less, shall be reenrolled in the retirement system within sixty days under policies established by the board. For purposes of vesting employer contributions made after the reentry into the system under subsection (3) of section 84-1321, years of participation shall include years of participation prior to such employee's original termination.

Sec. 37. That section 84-1324, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

84-1324. All annuities or benefits which any person shall be entitled to receive under the provisions of sections 84-1301 to 84-1331 State Employees Retirement Act shall not be subject to garnishment, attachment, or levy, and the same shall at all times be exempt the operation of bankruptcy or insolvency, or any other process of law whatsoever and shall not be assignable, except that a judgment, decree, or order, including approval of a property settlement agreement, made pursuant to law that relates to child support, alimony payments, or marital property rights to a spouse, former spouse, child, or other dependent shall be complied with.

Sec. 38. That section 84-1332, Revised Statutes Supplement, 1984, be amended to read as follows:

84-1332. (1) Any city or county employee who is a member under a city or county employees' retirement system, including retirement systems authorized by section 23-1118, and whose status as a city or county employee is changed by the Legislature to that of a state employee shall, upon application to the Public Employees Retirement Board and to the city or county, or to the county board of a county having a retirement system authorized by section 23-1118, obtain full and immediate vesting in any prior service retirement benefits and any future service retirement benefits which have been accrued to the date of transfer, except that the employee may ~~not~~ withdraw the amount in his or her employee account prior to his or her retirement ~~and still receive such vested benefits as provided in section 84-1321~~. Each employee's service as a city or county employee, after he or she has attained the minimum age required under the State Employees Retirement System and has completed two years of service, shall be credited as though it were participation in the State Employees Retirement System for purposes of calculating the termination benefits established by section 84-1321.

(2) Any city or county employee whose status as a city or county employee is or has been changed by the Legislature to that of a state employee shall be eligible for immediate participation in the State Employees Retirement System with no minimum period of service required if the minimum age requirement of the State Employees Retirement System is satisfied or, if the minimum age requirement is not satisfied on the date of transfer, the employee shall be eligible to participate at the date he or she satisfies the minimum age requirement.

Sec. 39. That section 84-1502, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

84-1502. Within thirty days after its appointment, the board shall meet and select a ~~chairman~~ chairperson and secretary. Thereafter, the ~~chairman~~ chairperson and the secretary shall be elected in January of each year. The board shall meet ~~at least once in each calendar month and may meet more frequently upon call of the chairman~~ at least once in each calendar month and may meet more frequently upon call of the chairperson or upon the request of three members of the board filed with the board office. ~~Meetings of the board shall be held in~~

this state and may be held by telecommunication equipment if the requirements of sections 84-1408 to 84-1414 are met. All meetings of the board shall be held in the Capitol.

Sec. 40. That section 84-1503, Revised Statutes Supplement, 1984, be amended to read as follows:

84-1503. (1) It shall be the duty of the Public Employees Retirement Board:

(a) To administer the retirement systems provided for in sections 23-2301 to 23-2331, 24-701 to 24-714, 79-1501 to 79-1557, 81-2014 to 81-2034, and 84-1301 to 84-1331; and the authority of the board to administer such systems shall commence thirty days after August 27, 1971; and to administer the retirement system provided for in sections 23-2301 to 23-2331; and the authority of the board to administer such system shall commence thirty days after September 2, 1973;

(b) To hire a director to administer the systems under direction of the board. The director shall not be a member of the board. Salaries of the director and his or her employees shall be set by the board; and

(c) To provide for an equitable allocation of expenses among the retirement systems administered by the board, and all expenses shall be provided from the investment income earned by the various retirement funds unless alternative sources of funds to pay expenses shall be specified by law.

(2) In administering the retirement system provided for in sections 23-2301 to 23-2331, it shall be the duty of the board:

(a) To select, on the basis of the most sound proposal or proposals received, after written notice of such proposition to all domestic companies, one or more life insurance companies, banks, or trust companies, or investment managers authorized to do business in Nebraska to underwrite, or serve as trustee, or manage investments for the retirement system, and to enter into a contract or contracts with such company or companies in the name of the retirement system, except that if a bank, or trust company, or investment manager is chosen as the primary carrier or investment manager the funds shall be invested or reinvested in such securities and investments as are authorized for trustees, guardians, conservators, executors, or administrators under the laws of Nebraska of the nature which individuals of prudence, discretion, and intelligence acquire or retain in dealing with the property of another and, if the life

insurance company, bank, trust company, or investment manager has special skills or is named on the basis of representations of special skills or expertise, it is under a duty to use such skills;

(b) To change underwriters, or trustees, or investment managers if, in the judgment of the board, such action would be desirable. The cancellation notice may be given by telephone and shall be confirmed in writing within five days by the board or a designated person appointed by the board; 7 except that the board shall give thirty days' notice in writing to the company whose contract is proposed to be canceled and; if such company makes demand therefor before such time has expired, a public hearing shall be held to determine the reasonableness of the proposed cancellation;

(c) To determine the prior service annuity, if any, for each person who shall be an employee of the county on the date of adoption of the retirement system;

(d) To determine the eligibility of an individual to be a member of the retirement system and other questions of fact in the event of a dispute between an individual and the county board in his or her county;

(e) To adopt rules and regulations for the management of the board;

(f) To keep a complete record of all proceedings taken at any meeting of the board; and

(g) To employ such actuarial and other assistance as may be necessary in the performance of its duties, 7 and

(h) To determine, annually in January, the amount to be contributed by each county to the board in order to enable the board to meet its expected expenses for the coming year, which amount shall be a part of the employee contribution for the county but not more than three per cent.

(3) It shall be the duty of such board to have an analysis made of the investment return that has been achieved on the assets of each retirement system administered by the board. Such analysis shall be prepared as of January 1, 1984, and each four years thereafter. The analysis shall be prepared by an independent private organization which has demonstrated expertise to perform this type of analysis and which is unrelated to any organization offering investment advice or which provides investment management services to the retirement system. The analysis may be waived by the board for any retirement system with assets of less than ten million dollars.

(4) In administering the retirement system provided for in sections 84-1301 to 84-1331, it shall be the duty of the board:

(a) To select, on the basis of the most sound proposal or proposals received, after written notice of such proposition, one or more investment managers authorized to do business in Nebraska to underwrite or serve as trustee for the retirement system, and to enter into a contract or contracts with such company or companies in the name of the state employees' retirement system. If a life insurance company, bank, or trust company, or other investment manager is chosen as the investment manager, the funds shall be invested or reinvested in such securities and investments as are authorized for trustees, guardians, conservators, executors, or administrators under the laws of Nebraska of the nature which individuals of prudence, discretion, and intelligence acquire or retain in dealing with the property of another and, if the life insurance company, bank, trust company, or investment manager has special skills or is named on the basis of representations of special skills or expertise, it is under a duty to use such skills. As an alternative method of providing funding for benefits paid under sections 84-1301 to 84-1331, the board may commit all or any part of the retirement funds to the state investment officer for investment pursuant to the authority granted in sections 72-1237 to 72-1269. The state investment officer shall be trustee of the funds so committed and shall administer the funds for the benefit of the retirement system; and

(b) To change underwriters or trustees if, in the judgment of the board, such action would be desirable. The cancellation notice may be given by telephone and shall be confirmed in writing within five days by the board or a designated person appointed by the board. The board shall give thirty days' notice in writing to the entity whose contract or trusteeship is proposed to be canceled and, if such entity makes demand therefor before such time has expired, a public hearing shall be held to determine the reasonableness of the proposed change.

Sec. 41. The Public Employees Retirement Board, for purposes of administering the various retirement systems under its jurisdiction, shall have access to records maintained by the Department of Administrative Services on the Nebraska employees information system data base for the purpose of securing names, social security numbers, addresses, ages, salary

records, employment dates, and any other information which may be necessary to administer the systems.

Sec. 42. No member of the Public Employees Retirement Board shall be personally liable, except in cases of willful dishonesty, gross negligence, or intentional violations of law, for actions relating to investment decisions pertaining to the retirement funds of retirement plans administered by the board.

Sec. 43. That original sections 23-2315, 24-704, 24-708, 24-710, 79-1514, 79-1522, 79-1532, 79-1552, 79-1556, 79-1565, 81-1325, 81-2022, 81-2025, 81-2026, 81-2031, 81-2032, 84-1322, 84-1324, and 84-1502, Reissue Revised Statutes of Nebraska, 1943, sections 23-2319, 24-701, 79-1521, 84-1301, 84-1307, 84-1311, 84-1317, 84-1319, 84-1320, 84-1321, 84-1332, and 84-1503, Revised Statutes Supplement, 1984, and sections 23-2301, 23-2310, 23-2312, 23-2317, 23-2322, and 79-1501, Revised Statutes Supplement, 1985, are repealed.

Sec. 44. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.

LEGISLATIVE BILL 311A

Approved by the Governor April 19, 1986

Introduced by Harris, 27

AN ACT to appropriate funds to aid in carrying out the provisions of Legislative Bill 311, Eighty-ninth Legislature, Second Session, 1986.

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

Section 1. There is hereby appropriated \$27,861 from the Cash Fund for the period July 1, 1986, to June 30, 1987, to the Public Employees Retirement Board, for Program 41, to aid in carrying out the provisions of Legislative Bill 311, Eighty-ninth Legislature, Second Session, 1986.

Total expenditures for permanent and temporary salaries and per diems from funds appropriated in this section shall not exceed \$11,661 for the period July 1, 1986, to June 30, 1987.