

AMENDMENTS TO LB686

Introduced by McDonnell, 5.

1           1. Strike the original sections and insert the following new  
2 sections:

3           Section 1. Section 16-1020, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5           16-1020 (1) Sections 16-1020 to 16-1042 and section 16 of this act  
6 shall be known and may be cited as the Cities of the First Class  
7 Firefighters Retirement Act.

8           (2) Except as provided in section 16-1039, sections 16-1020 to  
9 16-1038 and section 16 of this act shall apply to all firefighters of a  
10 city of the first class.

11          Sec. 2. Section 16-1021, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13          16-1021 For the purposes of the Cities of the First Class  
14 Firefighters Retirement Act sections 16-1020 to 16-1042, unless the  
15 context otherwise requires:

16          (1) Absolute coverage group means an absolute coverage group as  
17 described in 20 C.F.R. 404.1205 as such regulation existed on January 1,  
18 2024;

19          (2) (1) Actuarial equivalent means equality in value of the  
20 aggregate amount of benefit expected to be received under different forms  
21 or at different times determined as of a given date as adopted by the  
22 city or the retirement committee for use by the retirement system.  
23 Actuarial equivalencies shall be specified in the funding medium  
24 established for the retirement system, except that if benefits under the  
25 retirement system are obtained through the purchase of an annuity  
26 contract, the actuarial equivalency of any such form of benefit shall be  
27 the amount of pension benefit which can be purchased or otherwise

1 provided by such contract. All actuarial and mortality assumptions  
2 adopted by the city or retirement committee shall be on a sex-neutral  
3 basis;

4 (3) ~~(2)~~ Annuity contract means the contract or contracts issued by  
5 one or more life insurance companies or designated trusts and purchased  
6 by the retirement system in order to provide any of the benefits  
7 described in the Cities of the First Class Firefighters Retirement Act  
8 ~~such sections~~. Annuity conversion rates contained in any such contract  
9 shall be specified on a sex-neutral basis;

10 (4) ~~(3)~~ Beneficiary means the person or persons designated by a  
11 firefighter, pursuant to a written instrument filed with the retirement  
12 committee before the firefighter's death, to receive death benefits which  
13 may be payable under the retirement system;

14 (5) ~~(4)~~ Funding agent means any bank, trust company, life insurance  
15 company, thrift institution, credit union, or investment management firm  
16 selected by the retirement committee, subject to the approval of the  
17 city, to hold or invest the funds of the retirement system;

18 (6) ~~(5)~~ Regular interest means the rate of interest earned each  
19 calendar year commencing January 1, 1984, equal to the rate of net  
20 earnings realized for the calendar year from investments of the  
21 retirement fund. Net earnings means the amount by which income or gain  
22 realized from investments of the retirement fund exceeds the amount of  
23 any realized losses from such investments during the calendar year. The  
24 retirement committee shall annually report the amount of regular interest  
25 earned for such year;

26 (7) ~~(6)~~ Regular pay means the salary of a firefighter at the date  
27 such firefighter elects to retire or terminate employment with the city;

28 (8) ~~(7)~~ Retirement committee means the retirement committee created  
29 pursuant to section 16-1034;

30 (9) ~~(8)~~ Retirement system means a retirement system established  
31 pursuant to the Cities of the First Class Firefighters Retirement Act

1 ~~sections 16-1020 to 16-1042;~~

2       (10) (9) Retirement value means the accumulated value of the  
3 firefighter's employee account and employer account. The retirement value  
4 at any time shall consist of the sum of the contributions made or  
5 transferred to such accounts by the firefighter and by the city on the  
6 firefighter's behalf and the regular interest credited to the accounts  
7 through such date, reduced by any realized losses which were not taken  
8 into account in determining regular interest in any year, and as further  
9 adjusted each year to reflect the accounts' pro rata share of the  
10 appreciation or depreciation of the assets of the retirement system as  
11 determined by the retirement committee at their fair market values,  
12 including any account under subsection (3) (2) of section 16-1036. Such  
13 valuation shall be undertaken at least annually as of December 31 of each  
14 year and at such other times as may be directed by the retirement  
15 committee. The value of each account shall be reduced each year by the  
16 appropriate share of the investment costs as provided in section  
17 16-1036.01. The retirement value shall be further reduced by the amount  
18 of all distributions made to or on the behalf of the firefighter from the  
19 retirement system;

20       (11) (10) Salary means the base rate of pay and: τ

21       (i) Includes ~~excluding~~ overtime, callback, and call-in pay; τ

22       (ii) Includes ~~clothing allowances,~~ and other such benefits as  
23 reported on the participant's federal income tax withholding statement  
24 including the firefighters' contributions picked up by the city as  
25 provided in subsection (2) of section 16-1024 and any salary reduction  
26 contributions which are excludable from income for federal income tax  
27 purposes pursuant to section 125 or 457 of the Internal Revenue Code; and

28       (iii) Excludes clothing allowances;

29       (12) (11) Sex-neutral basis means the benefit calculation provided  
30 to the city of the first class by a licensed domestic or foreign  
31 insurance or annuity company with a product available for purchase in

1 Nebraska that utilizes a blended, non-gender-specific rate for actuarial  
2 assumptions, mortality assumptions, and annuity conversion rates for a  
3 particular participant, except that if a blended, non-gender-specific  
4 rate is not available for purchase in Nebraska, the benefit calculation  
5 shall be performed using the arithmetic mean of the male-specific  
6 actuarial assumptions, mortality assumptions, or annuity conversion rates  
7 and the female-specific actuarial assumptions, mortality assumptions, or  
8 annuity conversion rates, as applicable, for a particular participant,  
9 and the arithmetic mean shall be determined by adding the male-specific  
10 actuarial assumptions, mortality assumptions, or annuity conversion rates  
11 to the female-specific actuarial assumptions, mortality assumptions, or  
12 annuity conversion rates applicable to a particular participant and  
13 dividing the sum by two; and

14 (13) ~~(12)~~ Straight life annuity means an ordinary annuity payable  
15 for the life of the primary annuitant only, and terminating at his or her  
16 death without refund or death benefit of any kind.

17 Sec. 3. Section 16-1022, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19 16-1022 A firefighter shall be credited with all years of his or her  
20 service after August 7, 1965, for the purpose of determining vested  
21 retirement benefits under sections 16-1020 to 16-1038 and section 16 of  
22 this act.

23 Sec. 4. Section 16-1023, Reissue Revised Statutes of Nebraska, is  
24 amended to read:

25 16-1023 (1) Commencing on January 1, 1984, each city of the first  
26 class having a paid fire department shall keep and maintain a  
27 Firefighters Retirement System Fund for the purpose of investing payroll  
28 deductions and city contributions to the retirement system. The fund  
29 shall be maintained separate and apart from all city money and funds. The  
30 fund shall be administered exclusively for the purposes of the retirement  
31 system and for the benefit of participating firefighters and their

1 beneficiaries and so as to establish the fund as a trust under the law of  
2 this state for all purposes of section 401(a) of the Internal Revenue  
3 Code. Upon the passage of sections 16-1020 to 16-1038 all of the  
4 contributions made by a firefighter under section 35-203.01 as it  
5 formerly existed and interest accrued at five percent per annum on such  
6 contributions prior to January 1, 1984, shall be transferred to the  
7 firefighter's employee account. Regular interest shall begin to accrue on  
8 the contributions transferred into the fund. Such funds shall be invested  
9 in the manner prescribed in section 16-1036.

10 (2) The city shall establish a medium for funding the retirement  
11 system which, with the approval of the retirement committee, may be a  
12 pension trust fund, custodial account, group annuity contract, or  
13 combination thereof, for the purpose of investing money for the  
14 retirement system in the manner prescribed by section 16-1036 and to  
15 provide the retirement, death, and disability benefits for firefighters  
16 granted by the Cities of the First Class Firefighters Retirement Act  
17 ~~sections 16-1020 to 16-1042~~. The trustee or custodian of any trust fund  
18 shall be a designated funding agent which is qualified to act as a  
19 fiduciary or custodian in this state, the city treasurer, an appropriate  
20 city officer authorized to administer funds of the city, or a combination  
21 thereof.

22 Sec. 5. Section 16-1024, Reissue Revised Statutes of Nebraska, is  
23 amended to read:

24 16-1024 (1)(a) ~~(1)~~ Each firefighter, covered by an absolute  
25 coverage group, participating in the retirement system shall contribute  
26 to the retirement system a sum equal to six and one-half percent of his  
27 or her salary. Such payment shall be made by regular payroll deductions  
28 from his or her periodic salary and shall be credited to his or her  
29 employee account on a monthly basis. Each such account shall also be  
30 credited with regular interest.

31 (b)(i) Each firefighter, not covered by an absolute coverage group,

1 participating in the retirement system shall contribute to the retirement  
2 system a sum equal to:

3 (A) Until September 30, 2024, six and one-half percent of his or her  
4 salary;

5 (B) Beginning October 1, 2024, and until September 30, 2025, eight  
6 and seven-tenths percent of his or her salary;

7 (C) Beginning October 1, 2025, and until September 30, 2026, ten and  
8 seven-tenths percent of his or her salary; and

9 (D) Beginning October 1, 2026, twelve and seven-tenths percent of  
10 his or her salary.

11 (ii) Such payment shall be made by regular payroll deductions from  
12 his or her periodic salary and shall be credited to his or her employee  
13 account on a monthly basis. Each such account shall also be credited with  
14 regular interest.

15 (2) Each city of the first class with firefighters participating in  
16 a retirement system shall pick up the firefighters' contributions  
17 required by subsection (1) of this section for all compensation paid on  
18 or after January 1, 1984, and the contributions so picked up shall be  
19 treated as employer contributions in determining federal income tax  
20 treatment under the Internal Revenue Code, except that the city shall  
21 continue to withhold federal income taxes based upon such contributions  
22 until the Internal Revenue Service or the federal courts rule that,  
23 pursuant to section 414(h) of the Internal Revenue Code, such  
24 contributions shall not be included as gross income of the employee until  
25 such time as they are distributed from the retirement system. The city  
26 shall pay the employee contributions from the same source of funds which  
27 is used in paying compensation to the employee. The city shall pick up  
28 the employee contributions by a salary deduction either through a  
29 reduction in the cash salary of the employee or a combination of a  
30 reduction in salary and offset against a future salary increase. In no  
31 event shall a firefighter be given an option to choose to receive the

1 amount of the required contribution in lieu of having such contribution  
2 paid directly to the retirement system.

3 (3) Each firefighter participating in the retirement system shall be  
4 entitled to make voluntary cash contributions to the retirement system in  
5 an amount not to exceed the contribution limitations established by the  
6 Internal Revenue Code. Voluntary contributions shall be credited to the  
7 employee account and shall thereafter be credited with regular interest.  
8 A voluntary contribution shall become a part of the Firefighters  
9 Retirement System Fund and shall be held, administered, invested, and  
10 distributed in the same manner as any other employee contribution to the  
11 retirement system.

12 Sec. 6. Section 16-1025, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14 16-1025 (1)(a) ~~(1)~~ Beginning January 1, 1984, each city of the  
15 first class with firefighters, covered by an absolute coverage group,  
16 participating in a retirement system shall contribute to the retirement  
17 system a sum equal to thirteen percent of each such participating  
18 firefighter's periodic salary. Such payment shall be credited to his or  
19 her employer account on a monthly basis. Each such account shall also be  
20 credited with regular interest. The city shall also contribute to the  
21 employer account of any firefighter employed by the city on January 1,  
22 1984, an amount equal to the employee's contributions, without interest,  
23 that were made to the city prior to January 1, 1984, with such  
24 contribution to be made at the time the firefighter retires or terminates  
25 employment with the city. The city may contribute such amount before the  
26 firefighter's retirement or termination of employment or credit interest  
27 on such contribution.

28 (b)(i) Beginning January 1, 1984, each city of the first class with  
29 firefighters, not covered by an absolute coverage group, participating in  
30 a retirement system shall contribute to the retirement system a sum equal  
31 to:

1       (A) Until September 30, 2025, thirteen percent of each such  
2 participating firefighter's periodic salary;

3       (B) Beginning October 1, 2025, and until September 30, 2026,  
4 fourteen percent of each such participating firefighter's periodic  
5 salary; and

6       (C) Beginning October 1, 2026, fifteen percent of each such  
7 participating firefighter's periodic salary.

8       (ii) Such payment shall be credited to his or her employer account  
9 on a monthly basis. Each such account shall also be credited with regular  
10 interest. The city shall also contribute to the employer account of any  
11 firefighter employed by the city on January 1, 1984, an amount equal to  
12 the employee's contributions, without interest, that were made to the  
13 city prior to January 1, 1984, with such contribution to be made at the  
14 time the firefighter retires or terminates employment with the city. The  
15 city may contribute such amount before the firefighter's retirement or  
16 termination of employment or credit interest on such contribution.

17       (2) Each such city shall contribute any additional amounts necessary  
18 to fund retirement or other retirement plan benefits not provided by  
19 employee contributions or city contributions to the employer account  
20 required by subsection (1) of this section. Such additional contributions  
21 shall be accumulated in an unallocated employer account of the  
22 Firefighters Retirement System Fund and used to provide the benefits, if  
23 any, specified in sections 16-1027 and 16-1029 to 16-1031 which are not  
24 otherwise funded by the firefighter's retirement value. Funds needed to  
25 provide for a firefighter's benefits shall be transferred from the  
26 unallocated employer account when and as such funds are needed. All funds  
27 committed by the city to the funding of a firefighter pension system on  
28 January 1, 1984, that are not transferred to the firefighters employee  
29 accounts shall be transferred to the unallocated employer account.

30       Sec. 7. Section 16-1030, Reissue Revised Statutes of Nebraska, is  
31 amended to read:



1           16-1030 (1) When prior to commencement of retirement benefits any  
2 firefighter participating in the retirement system dies in the line of  
3 duty or in case death is caused by or is the result of injuries received  
4 while in the line of duty and such firefighter is not survived by a  
5 spouse or minor children, the entire retirement value shall be payable to  
6 the beneficiary or beneficiaries specified by the deceased firefighter  
7 prior to his or her death or to the deceased firefighter's estate in the  
8 event that no beneficiary was specified. The retirement value or portion  
9 thereof may be paid in the form of a single lump-sum payment, a straight  
10 life annuity, or any other optional form of benefit specified in the  
11 retirement system's funding medium. For a firefighter who is survived by  
12 a spouse or minor children, a retirement pension of fifty percent of  
13 regular pay shall be paid to the surviving spouse or, upon his or her  
14 remarriage or death, to the minor child or children during such child's  
15 or children's minority subject to deduction of the amounts paid as  
16 workers' compensation benefits on account of death as provided in section  
17 16-1032. Each such child shall share equally in the total pension benefit  
18 to the age of majority, except that as soon as a child attains the age of  
19 majority, such pension benefit to such child shall cease and be  
20 reallocated among the remaining minor children until the last remaining  
21 child dies or reaches the age of majority.

22           (2) Any payments for the benefit of a minor child shall be made on  
23 behalf of such child to the surviving spouse or, if there is none, to the  
24 legal guardian of the child.

25           (3) In the event the surviving spouse or minor children of such  
26 deceased firefighter die before the aggregate amount of pension payments  
27 received by the firefighter and his or her survivor beneficiaries, if  
28 any, equals the total amount in the firefighter's employee account at the  
29 time of the first benefit payment, the difference between the total  
30 amount in the employee account and the aggregate amount of pension  
31 payments received by the retired firefighter and his or her surviving

1 beneficiaries, if any, shall be paid in a single sum to the firefighter's  
2 beneficiary or, in the absence of a surviving beneficiary, his or her  
3 estate.

4 (4) In the event the surviving spouse remarries and there are no  
5 minor children at the time of remarriage, and the aggregate amount of  
6 pension payments received by the firefighter and his or her survivor  
7 beneficiaries, if any, is less than the total amount in the firefighter's  
8 employee account at the time of remarriage, the difference between the  
9 total amount in the employee account and the aggregate amount of pension  
10 payments received by the retired firefighter and his or her surviving  
11 beneficiaries, if any, shall be paid in a single sum to the surviving  
12 spouse who remarried.

13 (5) To the extent that the retirement value at the date of death  
14 exceeds the amount required to purchase the specified retirement pension,  
15 reduced by any amounts paid as workers' compensation benefits, the excess  
16 shall be paid in the manner provided in subsection (1) of section  
17 16-1029.

18 Sec. 8. Section 16-1032, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 16-1032 No firefighter shall be entitled during any period of  
21 temporary disability to receive in full both his or her salary and his or  
22 her benefits under the Nebraska Workers' Compensation Act. All Nebraska  
23 workers' compensation benefits shall be payable in full to such  
24 firefighter as provided in the Nebraska Workers' Compensation Act, but  
25 all amounts paid by the city or its insurer under the Nebraska Workers'  
26 Compensation Act to any disabled firefighter entitled to receive a salary  
27 during such disability shall be considered as payments on account of such  
28 salary and shall be credited thereon. The remaining balance of such  
29 salary, if any, shall be payable as otherwise provided in sections  
30 16-1020 to 16-1038 and section 16 of this act.

31 Sec. 9. Section 16-1033, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 16-1033 (1) In the event a firefighter quits or is discharged  
3 before his or her retirement date as defined in subsection (3) of section  
4 16-1028, the firefighter may request and receive, as a lump-sum payment,  
5 an amount equal to the value of his or her employee account as determined  
6 at the valuation date preceding his or her termination of employment  
7 pursuant to subdivision (10) ~~(9)~~ of section 16-1021. Such firefighter, if  
8 vested, may, in lieu thereof, receive a deferred pension benefit or lump-  
9 sum benefit in an amount purchased or provided by the vested retirement  
10 value at the date of retirement. The retirement value at such retirement  
11 date shall consist of the then accumulated value of the firefighter's  
12 employee account at the date of the retirement as reduced by any lump-sum  
13 distributions received prior to retirement, together with a vested  
14 percentage of the accumulated value of the firefighter's employer account  
15 at the date of retirement. The vesting schedule shall be as follows:

16 (a) ~~(1)~~ If the terminating firefighter has been a member of the  
17 system for less than four years, the vesting percentage shall be zero;  
18 and

19 (b) ~~(2)~~ If the terminating firefighter has been a member of the paid  
20 department of the city for at least four years, the vesting percentage  
21 shall be forty percent. The vesting percentage shall be sixty percent  
22 after five years, eighty percent after six years, and one hundred percent  
23 after seven years.

24 (2) The deferred pension benefit shall be payable on the first of  
25 the month immediately following the terminating firefighter's fifty-fifth  
26 birthday. At the option of the firefighter, such pension benefit may be  
27 paid as of the first of the month after he or she attains the age of  
28 fifty. Such election may be made by the firefighter any time prior to the  
29 payment of the pension benefits.

30 (3) The deferred pension benefit shall be paid in the optional  
31 benefit forms specified at subsection (1) of section 16-1027 as elected

1 by the firefighter. Notwithstanding anything in ~~sections 16-1020 to~~  
2 ~~16-1042~~ to the contrary under the Cities of the First Class Firefighters  
3 Retirement Act, if the firefighter's vested retirement value at the date  
4 of his or her termination of employment is less than three thousand five  
5 hundred dollars, such firefighter shall, upon request within one year of  
6 such termination, be paid his or her vested retirement value in the form  
7 of a single lump-sum payment.

8 (4) Effective January 1, 1997, a firefighter may elect, upon his or  
9 her termination of employment, to receive his or her vested retirement  
10 value in the form of a single lump-sum payment. For a firefighter whose  
11 termination of employment is prior to January 1, 1997, this election  
12 shall be available only if the city has adopted a lump-sum distribution  
13 option for terminating firefighters in the funding medium established for  
14 the retirement system.

15 (5) Upon any lump-sum payment of a terminating firefighter's  
16 retirement value under this section, such firefighter will not be  
17 entitled to any deferred pension benefit and the city and the retirement  
18 system shall have no further obligation to pay such firefighter or his or  
19 her beneficiaries any benefits under the Cities of the First Class  
20 Firefighters Retirement Act ~~sections 16-1020 to 16-1042~~.

21 (6) In the event that the terminating firefighter is not credited  
22 with one hundred percent of his or her employer account, the remaining  
23 nonvested portion of the account shall be forfeited and shall be  
24 deposited in the unallocated employer account. If the actuarial analysis  
25 required by section 16-1037 shows that the assets of the unallocated  
26 employer account are sufficient to provide for the projected plan  
27 liabilities, such forfeitures shall instead be used to meet the expenses  
28 incurred by the city in connection with administering the retirement  
29 system, and the remainder shall then be used to reduce the city  
30 contribution which would otherwise be required to fund pension benefits.

31 Sec. 10. Section 16-1034, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 16-1034 (1) A retirement committee shall be established to  
3 supervise the general operation of the retirement system. The city  
4 council shall be responsible for the general administration of such  
5 retirement system unless specific functions or all functions with regard  
6 to the administration of the retirement system are delegated, by  
7 ordinance, to the retirement committee. All costs incurred with regard to  
8 the administration of the retirement system shall be paid by the city  
9 from the unallocated employer account as provided in section 16-1036.01.

10 (2) The city and retirement committee shall have all powers which  
11 are necessary for or appropriate to establishing, maintaining, managing,  
12 and administering the retirement system. Whenever the Cities of the First  
13 Class Firefighters Retirement Act fails ~~sections 16-1020 to 16-1042 fail~~  
14 to address the allocation of duties or powers in the administration of  
15 the retirement system, such powers or duties shall be vested in the city  
16 unless such powers or duties have been delegated by ordinance to the  
17 retirement committee.

18 Sec. 11. Section 16-1036, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 16-1036 (1) The funds in the Firefighters Retirement System Fund  
21 shall be invested by the retirement committee. The city, subject to the  
22 approval of the retirement committee, shall contract with a funding agent  
23 or agents to hold or invest the assets of the retirement system and to  
24 provide for the benefits provided by the Cities of the First Class  
25 Firefighters Retirement Act ~~sections 16-1020 to 16-1042~~. The retirement  
26 committee, subject to the approval of the city, may also select an  
27 investment manager. The city, subject to approval of the retirement  
28 committee, may contract with investment managers registered under the  
29 federal Investment Advisers Act of 1940 to invest, reinvest, and  
30 otherwise manage such portion of the assets of the retirement system as  
31 may be assigned by the city or retirement committee.

1           (2) The retirement committees of two or more cities of the first  
2 class may, by written agreement and approval by the retirement committee  
3 of each such city of the first class, agree to pool investments and  
4 administration of plan benefits with a single administrative and  
5 investment agent.

6           (3) ~~(2)~~ The retirement committee shall establish an investment plan  
7 which allows each member of the retirement system to allocate all  
8 contributions to his or her employee account and, if he or she commenced  
9 his or her employment after January 1, 1984, his or her employer account  
10 to the various investment options or combinations of investment options  
11 described in such plan. Each firefighter shall have the option of  
12 investing his or her employee account and, if he or she commenced his or  
13 her employment after January 1, 1984, his or her employer account in any  
14 proportion, including full allocation, in any investment option offered  
15 by the plan. Upon the direction of the city, firefighters employed on  
16 January 1, 1984, may have the option to allocate their employer account  
17 to various investment options or combinations of investment options in  
18 any proportion, including full allocation, in any investment option  
19 offered by the plan. Each firefighter shall be given a summary of the  
20 investment plan and a detailed current description of each investment  
21 option prior to making or revising his or her allocation.

22           (4) ~~(3)~~ The funds in the Firefighters Retirement System Fund shall  
23 be invested pursuant to the policies established by the Nebraska  
24 Investment Council.

25           Sec. 12. Section 16-1036.01, Reissue Revised Statutes of Nebraska,  
26 is amended to read:

27           16-1036.01 The city and the retirement committee shall develop a  
28 schedule of investment costs relating to the investment of the funds in  
29 each of the accounts in the Firefighters Retirement System Fund, which  
30 costs shall be paid out of the funds in such accounts or assessed to the  
31 firefighters as provided in such schedule. The schedule of investment

1 costs shall provide for the allocation of the administrative or record-  
2 keeping costs of the various investment options available to the members  
3 of the retirement system and shall assess such costs so that each member  
4 pays a fair proportion of the costs based upon his or her choice of  
5 options and number of transfers among options. All other costs related to  
6 the general operation of the retirement system established pursuant to  
7 sections 16-1020 to 16-1038 and section 16 of this act and not allocated  
8 or assessed pursuant to the schedule of investment costs shall be  
9 considered administrative costs and shall be paid by the city from the  
10 unallocated employer account.

11 Sec. 13. Section 16-1037, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13 16-1037 (1) It shall be the duty of the retirement committee to:

14 (a) Elect a chairperson, a vice-chairperson, and such other officers  
15 as the committee deems appropriate;

16 (b) Hold regular quarterly meetings and special meetings upon the  
17 call of the chairperson;

18 (c) Conduct meetings pursuant to the Open Meetings Act;

19 (d) Provide each employee a summary of plan eligibility  
20 requirements, benefit provisions, and investment options available to  
21 such employee;

22 (e) Provide, within thirty days after a request is made by a  
23 participant, a statement describing the amount of benefits such  
24 participant is eligible to receive; and

25 (f) Make available for review an annual report of the system's  
26 operations describing both (i) the amount of contributions to the system  
27 from both employee and employer sources and (ii) an identification of the  
28 total assets of the retirement system.

29 ~~(2) Beginning December 31, 1998, through December 31, 2017:~~

30 ~~(a) The chairperson of the retirement committee shall file with the~~  
31 ~~Public Employees Retirement Board an annual report on each retirement~~

1 ~~plan established pursuant to section 401(a) of the Internal Revenue Code~~  
2 ~~and administered by a retirement system established pursuant to sections~~  
3 ~~16-1020 to 16-1042 and shall submit copies of such report to the Auditor~~  
4 ~~of Public Accounts. The Auditor of Public Accounts may prepare a review~~  
5 ~~of such report pursuant to section 84-304.02 but is not required to do~~  
6 ~~so. The annual report shall be in a form prescribed by the Public~~  
7 ~~Employees Retirement Board and shall contain the following information~~  
8 ~~for each such retirement plan:~~

- 9 ~~(i) The number of persons participating in the retirement plan;~~
- 10 ~~(ii) The contribution rates of participants in the plan;~~
- 11 ~~(iii) Plan assets and liabilities;~~
- 12 ~~(iv) The names and positions of persons administering the plan;~~
- 13 ~~(v) The names and positions of persons investing plan assets;~~
- 14 ~~(vi) The form and nature of investments;~~
- 15 ~~(vii) For each defined contribution plan, a full description of~~  
16 ~~investment policies and options available to plan participants; and~~
- 17 ~~(viii) For each defined benefit plan, the levels of benefits of~~  
18 ~~participants in the plan, the number of members who are eligible for a~~  
19 ~~benefit, and the total present value of such members' benefits, as well~~  
20 ~~as the funding sources which will pay for such benefits.~~

21 ~~If a plan contains no current active participants, the chairperson~~  
22 ~~may file in place of such report a statement with the Public Employees~~  
23 ~~Retirement Board indicating the number of retirees still drawing~~  
24 ~~benefits, and the sources and amount of funding for such benefits; and~~

25 ~~(b) If such retirement plan is a defined benefit plan which was open~~  
26 ~~to new members on January 1, 2004, in addition to the reports required by~~  
27 ~~section 13-2402, the retirement committee shall cause to be prepared an~~  
28 ~~annual report and the chairperson shall file the same with the Public~~  
29 ~~Employees Retirement Board and the Nebraska Retirement Systems Committee~~  
30 ~~of the Legislature and submit to the Auditor of Public Accounts a copy of~~  
31 ~~such report. The Auditor of Public Accounts may prepare a review of such~~



1 ~~report pursuant to section 84-304.02 but is not required to do so. If the~~  
2 ~~retirement committee does not submit a copy of the report to the Auditor~~  
3 ~~of Public Accounts within six months after the end of the plan year, the~~  
4 ~~Auditor of Public Accounts may audit, or cause to be audited, the city.~~  
5 ~~All costs of the audit shall be paid by the city. The report shall~~  
6 ~~consist of a full actuarial analysis of each such retirement plan~~  
7 ~~administered by a system established pursuant to sections 16-1020 to~~  
8 ~~16-1042. The analysis shall be prepared by an independent private~~  
9 ~~organization or public entity employing actuaries who are members in good~~  
10 ~~standing of the American Academy of Actuaries, and which organization or~~  
11 ~~entity has demonstrated expertise to perform this type of analysis and is~~  
12 ~~unrelated to any organization offering investment advice or which~~  
13 ~~provides investment management services to the retirement plan. The~~  
14 ~~report to the Nebraska Retirement Systems Committee shall be submitted~~  
15 ~~electronically.~~

16 ~~(2)(a) For any (3)(a) Beginning December 31, 2018, and each December~~  
17 ~~31 thereafter, for a defined benefit plan, by December 31 each year the~~  
18 chairperson of the retirement committee or his or her designee shall  
19 prepare and electronically file an annual report with the Auditor of  
20 Public Accounts and the Nebraska Retirement Systems Committee of the  
21 Legislature. If such retirement plan is a defined benefit plan which was  
22 open to new members on January 1, 2004, the report shall be in addition  
23 to the reports required by section 13-2402. The report shall be on a form  
24 prescribed by the Auditor of Public Accounts and shall include, but not  
25 be limited to, the following information:

26 (i) The levels of benefits of participants in the plan, the number  
27 of members who are eligible for a benefit, the total present value of  
28 such members' benefits, and the funding sources which will pay for such  
29 benefits; and

30 (ii) A copy of a full actuarial analysis of each such defined  
31 benefit plan. The analysis shall be prepared by an independent private

1 organization or public entity employing actuaries who are members in good  
2 standing of the American Academy of Actuaries, and which organization or  
3 entity has demonstrated expertise to perform this type of analysis and is  
4 unrelated to any organization which offers investment advice or provides  
5 investment management services to the retirement plan.

6 (b) The Auditor of Public Accounts may prepare a review of such  
7 report pursuant to section 84-304.02 but is not required to do so. If the  
8 retirement committee does not submit a copy of the report to the Auditor  
9 of Public Accounts within six months after the end of the plan year, the  
10 Auditor of Public Accounts may audit, or cause to be audited, the  
11 retirement committee. All costs of the audit shall be paid by the  
12 retirement committee.

13 Sec. 14. Section 16-1038, Reissue Revised Statutes of Nebraska, is  
14 amended to read:

15 16-1038 (1) The right to any benefits under the retirement system  
16 and the assets of any fund of the retirement system shall not be  
17 assignable or subject to execution, garnishment, attachment, or the  
18 operation of any bankruptcy or insolvency laws, except that the  
19 retirement system may comply with the directions set forth in a qualified  
20 domestic relations order meeting the requirements of section 414(p) of  
21 the Internal Revenue Code. The city or retirement committee may require  
22 appropriate releases from any person as a condition to complying with any  
23 such order. The retirement system shall not recognize any domestic  
24 relations order which alters or changes benefits, provides for a form of  
25 benefit not otherwise provided for by the retirement system, increases  
26 benefits not otherwise provided by the retirement system, or accelerates  
27 or defers the time of payment of benefits. No participant or beneficiary  
28 shall have any right to any specific portion of the assets of the  
29 retirement system.

30 (2) The retirement system shall be administered in a manner  
31 necessary to comply with the tax-qualification requirements applicable to

1 government retirement plans under section 401(a) of the Internal Revenue  
2 Code, including section 401(a)(9) relating to the time and manner in  
3 which benefits are required to be distributed and section 401(a)(9)(G)  
4 relating to incidental death benefit requirements, section 401(a)(16)  
5 relating to compliance with the maximum limitation on the plan benefits  
6 or contributions under section 415, section 401(a)(17) which limits the  
7 amount of compensation which can be taken into account under a retirement  
8 plan, section 401(a)(25) relating to the specification of actuarial  
9 assumptions, section 401(a)(31) relating to direct rollover distribution  
10 from eligible retirement plans, and section 401(a)(37) relating to the  
11 death benefit of a firefighter who dies while performing qualified  
12 military service. Any requirements for compliance with section 401(a) of  
13 the Internal Revenue Code may be set forth in any trust or funding medium  
14 for the retirement system. This subsection shall be in full force and  
15 effect only so long as conformity with section 401(a) of the Internal  
16 Revenue Code is required for public retirement systems in order to secure  
17 the favorable income tax treatment extended to sponsors and beneficiaries  
18 of tax-qualified retirement plans.

19 (3) If the retirement committee determines that the retirement  
20 system has previously overpaid or underpaid a benefit payable under the  
21 Cities of the First Class Firefighters Retirement Act sections 16-1020 to  
22 16-1042, it shall have the power to correct such error. In the event of  
23 an overpayment, the retirement system may, in addition to any other  
24 remedy that the retirement system may possess, offset future benefit  
25 payments by the amount of the prior overpayment, together with regular  
26 interest thereon.

27 (4) A firefighter whose benefit payment is adjusted by the  
28 retirement committee pursuant to subsection (3) of this section may  
29 request a review by the city council of the adjustment made by the  
30 retirement committee.

31 (5) In order to provide the necessary amounts to pay for or fund a

1 pension plan established under the Cities of the First Class Firefighters  
2 Retirement Act sections 16-1020 to 16-1042, the mayor and council may  
3 make a levy which is within the levy restrictions of section 77-3442.

4 Sec. 15. Section 16-1041, Reissue Revised Statutes of Nebraska, is  
5 amended to read:

6 16-1041 Nothing in the Cities of the First Class Firefighters  
7 Retirement Act sections 16-1020 to 16-1042 shall in any manner affect the  
8 right of any person now receiving or entitled to receive, now or in the  
9 future, pension or other benefits provided for in sections 35-201 to  
10 35-216, as they exist immediately prior to January 1, 1984, to receive  
11 such pension or other benefits in all respects the same as if such  
12 sections remained in full force and effect.

13 Sec. 16. (1) When a firefighter who is employed as a firefighter by  
14 a city of the first class retires from such employment, the city of the  
15 first class that employed such firefighter shall provide such firefighter  
16 with the opportunity to continue to obtain health insurance coverage on  
17 the same basis that the city provides applicable group health insurance  
18 coverage to actively employed firefighters of such city of the first  
19 class for the first twenty-four months following the date of such  
20 firefighter's retirement.

21 (2) Following the twenty-four-month period described in subsection  
22 (1) of this section, the city of the first class shall provide each  
23 retired firefighter who maintained health insurance coverage through such  
24 city of the first class during such twenty-four-month period the  
25 opportunity to continue such health insurance coverage, except that the  
26 city of the first class shall only pay fifty percent of the applicable  
27 premium for the type of health insurance coverage selected by the  
28 firefighter.

29 (3) Subsections (1) and (2) of this section shall not apply to a  
30 firefighter who reaches the age of medicare eligibility.

31 Sec. 17. Section 18-1723, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 18-1723 Whenever any firefighter who has served a total of five  
3 years as a member of a paid fire department of any city in this state or  
4 any police officer of any city or village, including any city having a  
5 home rule charter, shall suffer death or disability as a result of  
6 hypertension or heart or respiratory defect or disease, there shall be a  
7 rebuttable presumption that such death or disability resulted from  
8 accident or other cause while in the line of duty for all purposes of the  
9 Police Officers Retirement Act, sections 15-1012 to 15-1027, and the  
10 Cities of the First Class Firefighters Retirement Act ~~16-1020 to 16-1042,~~  
11 and any firefighter's or police officer's pension plan established  
12 pursuant to any home rule charter, the Legislature specifically finding  
13 the subject of this section to be a matter of general statewide concern.  
14 The rebuttable presumption shall apply to death or disability as a result  
15 of hypertension or heart or respiratory defect or disease after the  
16 firefighter or police officer separates from his or her applicable  
17 employment if the death or disability occurs within three months after  
18 such separation. Such rebuttable presumption shall apply in any action or  
19 proceeding arising out of death or disability incurred prior to December  
20 25, 1969, and which has not been processed to final administrative or  
21 judicial conclusion prior to such date.

22 Sec. 18. Section 35-1001, Revised Statutes Cumulative Supplement,  
23 2022, is amended to read:

24 35-1001 (1) For a firefighter or firefighter-paramedic who is a  
25 member of a paid fire department of a municipality or a rural or suburban  
26 fire protection district in this state, including a municipality having a  
27 home rule charter or a municipal authority created pursuant to a home  
28 rule charter that has its own paid fire department, and who suffers death  
29 or disability as a result of cancer, including, but not limited to,  
30 breast cancer, ovarian cancer, and cancer affecting the skin or the  
31 central nervous, lymphatic, digestive, hematological, urinary, skeletal,

1 oral, or prostate systems, evidence which demonstrates that (a) such  
2 firefighter or firefighter-paramedic successfully passed a physical  
3 examination upon entry into such service or subsequent to such entry,  
4 which examination failed to reveal any evidence of cancer, (b) such  
5 firefighter or firefighter-paramedic was exposed to a known carcinogen,  
6 as defined on July 19, 1996, by the International Agency for Research on  
7 Cancer, while in the service of the fire department, and (c) such  
8 carcinogen is reported by the agency to be a suspected or known cause of  
9 the type of cancer the firefighter or firefighter-paramedic has, shall be  
10 prima facie evidence that such death or disability resulted from  
11 injuries, accident, or other cause while in the line of duty for the  
12 purposes of the Cities of the First Class Firefighters Retirement Act  
13 ~~sections 16-1020 to 16-1042~~, a firefighter's pension plan established  
14 pursuant to a home rule charter, and a firefighter's pension or  
15 disability plan established by a rural or suburban fire protection  
16 district.

17 (2) For a firefighter or firefighter-paramedic who is a member of a  
18 paid fire department of a municipality or a rural or suburban fire  
19 protection district in this state, including a municipality having a home  
20 rule charter or a municipal authority created pursuant to a home rule  
21 charter that has its own paid fire department, and who suffers death or  
22 disability as a result of a blood-borne infectious disease, tuberculosis,  
23 meningococcal meningitis, or methicillin-resistant Staphylococcus aureus,  
24 evidence which demonstrates that (a) such firefighter or firefighter-  
25 paramedic successfully passed a physical examination upon entry into such  
26 service or subsequent to such entry, which examination failed to reveal  
27 any evidence of such blood-borne infectious disease, tuberculosis,  
28 meningococcal meningitis, or methicillin-resistant Staphylococcus aureus,  
29 and (b) such firefighter or firefighter-paramedic has engaged in the  
30 service of the fire department within ten years before the onset of the  
31 disease, shall be prima facie evidence that such death or disability

1 resulted from injuries, accident, or other cause while in the line of  
2 duty for the purposes of the Cities of the First Class Firefighters  
3 Retirement Act ~~sections 16-1020 to 16-1042~~, a firefighter's pension plan  
4 established pursuant to a home rule charter, and a firefighter's pension  
5 or disability plan established by a rural or suburban fire protection  
6 district.

7 (3) The prima facie evidence presumed under this section shall  
8 extend to death or disability as a result of cancer as described in this  
9 section, a blood-borne infectious disease, tuberculosis, meningococcal  
10 meningitis, or methicillin-resistant Staphylococcus aureus after the  
11 firefighter or firefighter-paramedic separates from his or her service to  
12 the fire department if the death or disability occurs within three months  
13 after such separation.

14 (4) For purposes of this section, blood-borne infectious disease  
15 means human immunodeficiency virus, acquired immunodeficiency syndrome,  
16 and all strains of hepatitis.

17 Sec. 19. Section 68-621, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19 68-621 For purposes of sections 68-621 to 68-630:

20 (1) Referendum A referendum group means ~~, as referred to in sections~~  
21 ~~68-621 to 68-630,~~ shall consist of the employees of the state, a single  
22 political subdivision of this state, or any instrumentality jointly  
23 created by this state and any other state or states, the employees of  
24 which are or may be members of a retirement system covering such  
25 employees, except that: (a) The employees of the University of Nebraska  
26 shall constitute a referendum group; (b) the employees of a Class V  
27 school district shall constitute a referendum group; (c) all employees of  
28 the State of Nebraska who are or may be members of the School Employees  
29 Retirement System of the State of Nebraska, including employees of  
30 institutions operated by the Board of Trustees of the Nebraska State  
31 Colleges, employees of institutions operated by the Department of

1 Correctional Services and the Department of Health and Human Services,  
2 and employees subordinate to the State Board of Education, shall  
3 constitute a referendum group; and (d) all employees of school districts  
4 of the State of Nebraska, county superintendents, and county school  
5 administrators, who are or may be members of the School Employees  
6 Retirement System of the State of Nebraska, shall constitute a single  
7 referendum group.

8 (2) ~~Managing~~ The managing authority means ~~of a political subdivision~~  
9 ~~or educational institution shall be~~ the board, committee, or council  
10 having general authority over a political subdivision, university,  
11 college, or school district whose employees constitute or are included in  
12 a referendum group; the managing authority of the state shall be the  
13 Governor; and insofar as sections 68-601 to 68-631 may be applicable to  
14 county superintendents and county school administrators, managing  
15 authority means ~~shall mean~~ the board of county commissioners or county  
16 supervisors of the county in which the county superintendent was elected  
17 or with which the county school administrator contracted.

18 (3) Eligible employees means ~~, as referred to in sections 68-621 to~~  
19 ~~68-630, shall mean those~~ employees of the state or any political  
20 subdivision of the state thereof who at or during the time of voting in a  
21 referendum ~~as herein provided~~ are in positions covered by a retirement  
22 system, are members of such retirement system, and were in such positions  
23 at the time of giving of the notice of such referendum, as ~~herein~~  
24 required by sections 68-621 to 68-630, except that no such employee shall  
25 be considered an eligible employee if at the time of such voting such  
26 employee is in a position to which the state agreement applies ~~or if such~~  
27 ~~employee is in service in a police officer or firefighter position.~~

28 (4) State agreement means ~~, as referred to in sections 68-621 to~~  
29 ~~68-630, shall mean~~ the agreement between the State of Nebraska and the  
30 designated officer of the United States of America entered into pursuant  
31 to section 68-603.



1           Sec. 20. Section 81-8,317, Revised Statutes Cumulative Supplement,  
2 2022, is amended to read:

3           81-8,317 (1) If a public safety officer is killed in the line of  
4 duty, compensation shall be paid as provided in the In the Line of Duty  
5 Compensation Act to recognize the ultimate sacrifice made by such public  
6 safety officer.

7           (2) The amount of compensation to be paid under the act shall be as  
8 follows:

9           (a) For deaths occurring during calendar year 2022, the amount of  
10 such compensation shall be two hundred fifty thousand dollars; and

11           (b) For deaths occurring in calendar year 2023 and each calendar  
12 year thereafter, the amount of such compensation shall be equal to the  
13 compensation amount from the previous calendar year increased by the  
14 percentage increase, if any, in the Consumer Price Index for All Urban  
15 Consumers, as published by the United States Department of Labor, Bureau  
16 of Labor Statistics, for the twelve months ending on June 30 of such  
17 previous calendar year.

18           (3) The person entitled to receive such compensation shall be  
19 determined as follows:

20           (a) If the public safety officer designated a person to receive the  
21 compensation in accordance with subsection (4) of this section, the  
22 compensation shall be paid to the designated person; or

23           (b) If no person is designated by the public safety officer or if  
24 the designated person is not alive at the death of the public safety  
25 officer, the compensation shall be paid in accordance with the laws of  
26 this state regarding intestate succession.

27           (4) The Risk Manager shall prescribe a form that may be used by a  
28 public safety officer to designate a person to receive the compensation.  
29 The public safety officer shall file such form with his or her employer  
30 or, if he or she is a volunteer, with the entity for which the volunteer  
31 service is provided.

1 (5) Amounts paid under the In the Line of Duty Compensation Act  
2 shall not be considered:

3 (a) Compensation under the County Employees Retirement Act, the  
4 Judges Retirement Act, the Nebraska State Patrol Retirement Act, the  
5 School Employees Retirement Act, the State Employees Retirement Act, or  
6 any other retirement plan administered by the Public Employees Retirement  
7 Board and shall not be eligible for deferral under any deferred  
8 compensation plan administered by the Public Employees Retirement Board;  
9 or

10 (b) Regular pay or salary under the Police Officers Retirement Act  
11 or the Cities of the First Class Firefighters Retirement Act sections  
12 ~~16-1020 to 16-1042~~.

13 (6) An employer of the public safety officer shall not have any  
14 right of subrogation under section 48-118 with respect to compensation  
15 paid under the In the Line of Duty Compensation Act.

16 Sec. 21. Original sections 16-1020, 16-1021, 16-1022, 16-1023,  
17 16-1024, 16-1025, 16-1030, 16-1032, 16-1033, 16-1034, 16-1036,  
18 16-1036.01, 16-1037, 16-1038, 16-1041, 18-1723, and 68-621, Reissue  
19 Revised Statutes of Nebraska, and sections 35-1001 and 81-8,317, Revised  
20 Statutes Cumulative Supplement, 2022, are repealed.