

E AND R AMENDMENTS TO LB 196

Introduced by Ballard, 21, Chairman Enrollment and Review

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

3 Section 1. Section 81-8,318, Revised Statutes Cumulative Supplement,
4 2022, is amended to read:

5 81-8,318 (1) To receive compensation under the In the Line of Duty
6 Compensation Act, a claim for the compensation shall ~~must~~ be filed with
7 the Risk Manager within three years ~~one year~~ after the date of death of
8 the public safety officer who was killed in the line of duty. Such claim
9 shall be on a form prescribed by the Risk Manager and shall include:

10 (a) The name, address, and title or position of the public safety
11 officer who was killed in the line of duty;

12 (b) A copy of the form filed in accordance with subsection (4) of
13 section 81-8,317, if any. If no such form has been filed, the claim shall
14 include the name and address of the person or persons to whom
15 compensation is payable under subdivision (3)(b) of section 81-8,317;

16 (c) A sworn statement providing a full factual account of the
17 circumstances resulting in or the course of events causing the death of
18 the public safety officer; and

19 (d) Such other information as the Risk Manager reasonably requires.

20 (2) The Risk Manager shall send written notice to all claimants
21 within two weeks after the initiation of a claim indicating whether or
22 not the claim is complete. For purposes of this subsection, a claim is
23 complete if a claimant has submitted to the Risk Manager all documents
24 and information required under subsection (1) of this section. If a claim
25 is incomplete, the Risk Manager shall include in the written notice a
26 list of the documents or information which the claimant must submit in
27 order for the claim to be complete. If a claim is complete, the State

1 Claims Board shall make an investigation of the claim in the manner
2 provided in the State Miscellaneous Claims Act. Upon completion of such
3 investigation, and no later than forty-five days after receipt of a
4 complete claim, the State Claims Board shall approve or deny such claim
5 in accordance with section 81-8,300 and the Risk Manager shall send
6 written notice to the claimant stating whether the claim has been
7 approved or denied. If a claim is denied, the notice shall include the
8 reason or reasons for the denial. If a claimant is dissatisfied with a
9 denial, he or she may file an application for review with the Risk
10 Manager in accordance with subsection (2) of section 81-8,300. If a claim
11 is approved, compensation shall be paid to the claimants entitled to such
12 compensation in accordance with subsection (3) of section 81-8,300.

13 (3) This section shall apply to any claim arising on or after
14 January 1, 2022.

15 Sec. 2. Section 81-2017, Revised Statutes Cumulative Supplement,
16 2022, is amended to read:

17 81-2017 (1)(a)(i) ~~(1)~~ Commencing July 1, 2010, and until July 1,
18 2011, each officer while in the service of the Nebraska State Patrol
19 shall pay or have paid on such officer's ~~his or her~~ behalf a sum equal to
20 sixteen percent of such officer's ~~his or her~~ monthly compensation.

21 (ii) Commencing July 1, 2011, and until July 1, 2013, each officer
22 while in the service of the Nebraska State Patrol shall pay or have paid
23 on such officer's ~~his or her~~ behalf a sum equal to nineteen percent of
24 such officer's ~~his or her~~ monthly compensation.

25 (iii)(A) Commencing July 1, 2013, and until July 1, 2024, each
26 officer who commenced service prior to July 1, 2016, while in the service
27 of the Nebraska State Patrol shall pay or have paid on such officer's ~~his~~
28 ~~or her~~ behalf a sum equal to sixteen percent of such officer's ~~his or her~~
29 monthly compensation.

30 (B) Until July 1, 2024, each ~~Each~~ officer who commenced service on
31 or after July 1, 2016, while in the service of the Nebraska State Patrol

1 shall pay or have paid on such officer's ~~his or her~~ behalf a sum equal to
2 seventeen percent of such officer's ~~his or her~~ monthly compensation.

3 (iv) Commencing July 1, 2024, each officer while in the service of
4 the Nebraska State Patrol shall pay or have paid on such officer's behalf
5 a sum equal to ten percent of such officer's monthly compensation.

6 (b) Such amounts shall be deducted monthly by the Director of
7 Administrative Services who shall draw a warrant monthly in the amount of
8 the total deductions from the compensation of members of the Nebraska
9 State Patrol in accordance with subsection (4) of this section, and the
10 State Treasurer shall credit the amount of such warrant to the State
11 Patrol Retirement Fund. The director shall cause a detailed report of all
12 monthly deductions to be made each month to the board.

13 (2) In addition: ~~r~~

14 (a)(i) Commencing ~~commencing~~ July 1, 2010, and until July 1, 2011,
15 there shall be assessed against the appropriation of the Nebraska State
16 Patrol a sum equal to the amount of sixteen percent of each officer's
17 monthly compensation, which shall be credited to the State Patrol
18 Retirement Fund.

19 (ii) Commencing July 1, 2011, and until July 1, 2013, there shall be
20 assessed against the appropriation of the Nebraska State Patrol a sum
21 equal to the amount of nineteen percent of each officer's monthly
22 compensation, which shall be credited to the State Patrol Retirement
23 Fund.

24 (iii)(A) Commencing July 1, 2013, and until July 1, 2024, for each
25 officer who commenced service prior to July 1, 2016, there shall be
26 assessed against the appropriation of the Nebraska State Patrol a sum
27 equal to the amount of sixteen percent of each officer's monthly
28 compensation, which shall be credited to the State Patrol Retirement
29 Fund.

30 (B) Commencing July 1, 2016, and until July 1, 2024, for each
31 officer who commenced service on or after July 1, 2016, there shall be

1 assessed against the appropriation of the Nebraska State Patrol a sum
2 equal to the amount of seventeen percent of each officer's monthly
3 compensation, which shall be credited to the State Patrol Retirement
4 Fund.

5 (iv) Commencing July 1, 2024, there shall be assessed against the
6 appropriation of the Nebraska State Patrol a sum equal to the amount of
7 twenty-four percent of each officer's monthly compensation, which shall
8 be credited to the State Patrol Retirement Fund.

9 (b) This assessment constitutes an employer match and shall be
10 contingent upon the officer making such officer's his—~~or~~—her
11 contributions to the retirement system.

12 (3)(a) Prior to July 1, 2021:

13 (i) Beginning July 1, 2002, and each fiscal year thereafter, the
14 board shall cause an annual actuarial valuation to be performed that will
15 value the plan assets for the year and ascertain the contributions
16 required for such fiscal year. The actuary for the board shall perform an
17 actuarial valuation of the system on the basis of actuarial assumptions
18 recommended by the actuary, approved by the board, and kept on file with
19 the board using the entry age actuarial cost method. Under this method,
20 the actuarially required funding rate is equal to the normal cost rate,
21 plus the contribution rate necessary to amortize the unfunded actuarial
22 accrued liability on a level percentage of salary basis. The normal cost
23 under this method shall be determined for each individual member on a
24 level percentage of salary basis. The normal cost amount is then summed
25 for all members;

26 (ii) Beginning July 1, 2006, any existing unfunded liabilities shall
27 be reinitialized and amortized over a thirty-year period, and during each
28 subsequent actuarial valuation through June 30, 2021, changes in the
29 unfunded actuarial accrued liability due to changes in benefits,
30 actuarial assumptions, the asset valuation method, or actuarial gains or
31 losses shall be measured and amortized over a thirty-year period

1 beginning on the valuation date of such change;

2 (iii) If the unfunded actuarial accrued liability under the entry
3 age actuarial cost method is zero or less than zero on an actuarial
4 valuation date, then all prior unfunded actuarial accrued liabilities
5 shall be considered fully funded and the unfunded actuarial accrued
6 liability shall be reinitialized and amortized over a thirty-year period
7 as of the actuarial valuation date; and

8 (iv) If the actuarially required contribution rate exceeds the rate
9 of all contributions required pursuant to the Nebraska State Patrol
10 Retirement Act, there shall be a supplemental appropriation sufficient to
11 pay for the differences between the actuarially required contribution
12 rate and the rate of all contributions required pursuant to the act.

13 (b) Beginning July 1, 2021, and each fiscal year thereafter:

14 (i) The board shall cause an annual actuarial valuation to be
15 performed that will value the plan assets for the year and ascertain the
16 contributions required for such fiscal year. The actuary for the board
17 shall perform an actuarial valuation of the system on the basis of
18 actuarial assumptions recommended by the actuary, approved by the board,
19 and kept on file with the board using the entry age actuarial cost
20 method. Under such method, the actuarially required funding rate is equal
21 to the normal cost rate, plus the contribution rate necessary to amortize
22 the unfunded actuarial accrued liability on a level percentage of salary
23 basis. The normal cost under such method shall be determined for each
24 individual member on a level percentage of salary basis. The normal cost
25 amount is then summed for all members;

26 (ii) Any changes in the unfunded actuarial accrued liability due to
27 changes in benefits, actuarial assumptions, the asset valuation method,
28 or actuarial gains or losses shall be measured and amortized over a
29 twenty-five-year period beginning on the valuation date of such change;

30 (iii) If the unfunded actuarial accrued liability under the entry
31 age actuarial cost method is zero or less than zero on an actuarial

1 valuation date, then all prior unfunded actuarial accrued liabilities
2 shall be considered fully funded and the unfunded actuarial accrued
3 liability shall be reinitialized and amortized over a twenty-five-year
4 period as of the actuarial valuation date; and

5 (iv) If the actuarially required contribution rate exceeds the rate
6 of all contributions required pursuant to the Nebraska State Patrol
7 Retirement Act, there shall be a supplemental appropriation sufficient to
8 pay for the differences between the actuarially required contribution
9 rate and the rate of all contributions required pursuant to the act.

10 (c) Upon the recommendation of the actuary to the board, and after
11 the board notifies the Nebraska Retirement Systems Committee of the
12 Legislature, the board may combine or offset certain amortization bases
13 to reduce future volatility of the actuarial contribution rate. Such
14 notification to the committee shall be in writing and include, at a
15 minimum, the actuary's projection of the contributions to fund the plan
16 if the combination or offset were not implemented, the actuary's
17 projection of the contributions to fund the plan if the combination or
18 offset were implemented, and the actuary's explanation of why the
19 combination or offset is in the best interests of the plan at the
20 proposed time.

21 (4) The state shall pick up the member contributions required by
22 this section for all compensation paid on or after January 1, 1985, and
23 the contributions so picked up shall be treated as employer contributions
24 pursuant to section 414(h)(2) of the Internal Revenue Code in determining
25 federal tax treatment under the code and shall not be included as gross
26 income of the member until such time as they are distributed or made
27 available. The contributions, although designated as member
28 contributions, shall be paid by the state in lieu of member
29 contributions. The state shall pay these member contributions from the
30 same source of funds which is used in paying earnings to the member. The
31 state shall pick up these contributions by a compensation deduction

1 through a reduction in the cash compensation of the member. Member
2 contributions picked up shall be treated for all purposes of the Nebraska
3 State Patrol Retirement Act in the same manner and to the extent as
4 member contributions made prior to the date picked up.

5 Sec. 3. Original sections 81-8,318 and 81-2017, Revised Statutes
6 Cumulative Supplement, 2022, are repealed.

7 Sec. 4. Since an emergency exists, this act takes effect when
8 passed and approved according to law.

9 2. On page 1, strike beginning with "retirement" in line 1 through
10 line 7 and insert "public safety officers; to amend sections 81-8,318 and
11 81-2017, Revised Statutes Cumulative Supplement, 2022; to change
12 provisions relating to claims under the In the Line of Duty Compensation
13 Act; to change contributions and assessments under the Nebraska State
14 Patrol Retirement Act; to harmonize provisions; to repeal the original
15 sections; and to declare an emergency."