

LEGISLATIVE BILL 210

Approved by the Governor May 26, 1983

Introduced by Chambers, 11; Vickers, 38

AN ACT relating to retirement; to amend section 84-1319, Reissue Revised Statutes of Nebraska, 1943, and section 23-2317, Revised Statutes Supplement, 1982; to change provisions relating to future service retirement benefits for county and state employees as prescribed; to create funds; to provide duties; to provide an operative date; and to repeal the original sections.

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

Section 1. That section 23-2317, Revised Statutes Supplement, 1982, 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, as determined by the group annuity contract and the actuarial assumptions used therein, of the retirement value, 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 specified in the group annuity contract. 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.

(2) The monthly income payable to a member retiring on or after the operative date of this act 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. 2. That section 84-1319, Reissue Revised Statutes of Nebraska, 1943, 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, as determined by the group annuity contract, of the retirement value, except that gender shall not be a factor when determining the amount of such payments 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 specified in the group annuity contract.

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.

(2) The monthly income payable to a member retiring on or after the operative date of this act 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.

Sec. 3. There is hereby created the State Equal Retirement Benefit Fund, to be administered by the Public Employees Retirement Board. Each state agency participating in the state employees' retirement system pursuant to Chapter 84, article 13, shall make a contribution at least once a year to the fund, in addition to any other retirement contributions. Such contribution shall be in an amount determined by the primary carrier administering the group annuity contract to provide all similarly situated male and female members of the state employees' retirement system with equal benefits pursuant to subsection (2) of section 84-1319 and to provide for direct expenses incurred in administering the fund. The amount contributed to the fund by each state agency participating in the state employees' retirement system shall be proportionate to the total amount such agency contributes to the system for retirement benefits.

Sec. 4. There is hereby created the County Equal Retirement Benefit Fund, to be administered by the Public Employees Retirement Board. Each county participating in the county employees' retirement system on the operative date of this act pursuant to Chapter 23, article 23, shall make a contribution at least once a year to the fund, in addition to any other retirement contributions. Such contribution shall be in an amount determined by the carrier, as defined in section 23-2301, to provide all similarly situated male and female members of the county employees' retirement system with equal benefits pursuant to subsection (2) of section 23-2317 and to provide for direct expenses

incurred in administering the fund. The board shall keep a record of the contributions made by each county.

Sec. 5. This act shall become operative on January 1, 1984.

Sec. 6. That original section 84-1319, Reissue Revised Statutes of Nebraska, 1943, and section 23-2317, Revised Statutes Supplement, 1982, are repealed.