

LEGISLATIVE BILL 313

Approved by the Governor March 23, 1983

Introduced by Fowler, 27

AN ACT relating to retirement; to amend sections 23-2309, 84-1310, and 84-1311, Reissue Revised Statutes of Nebraska, 1943, and section 23-2310, Revised Statutes Supplement, 1982; to change provisions relating to a member's employer account; 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. That section 23-2309, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

23-2309. A member's share of the fund arising from the salary deductions made in accordance with the provisions of section 23-2307 shall be known as his or her employee account. Each year, commencing January 1, 1975, regular interest shall be credited to the employee account. As of January 1, ~~1975~~ of each year, a member's employee account shall be equal to one hundred ~~three~~ per cent of his or her employee account as of the next preceding January 1, increased by any regular interest earned and any amounts deducted from the member's salary since the next preceding January 1 in accordance with the provisions of section 23-2307.

Sec. 2. That section 23-2310, Revised Statutes Supplement, 1982, 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 As of 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 the provisions of 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 the provisions

of 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 amount equal to any amounts deducted from the member's salary since the next preceding January 1 in accordance with the provisions of section 23-2307. The member's employer account shall be increased by any interest allocated under the provisions of the group annuity contract, and reduced by any expense charges made under the provisions of the group annuity 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 the provisions of 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 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. 3. That section 84-1310, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

84-1310. A member's share of the fund arising from the salary deductions made in accordance with the provisions of section 84-1308 shall be known as his or her employee account. Each year commencing January 1, 1975, regular interest shall be credited to the employee account. As of January 1, 1975 of each year, a member's employee account shall be equal to one hundred ~~four~~ per cent of his or her employee account as of the next preceding January 1, increased by any regular interest earned and any amounts deducted from the member's salary since the next preceding January 1 in accordance with the provisions of section 84-1308.

Sec. 4. That section 84-1311, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

84-1311. A member's share of the fund arising from the state contributions made in accordance with the provisions of section 84-1309 shall be known as his or her employer account. As 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 the provisions of 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 the provisions of 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 the provisions of section 84-1308. 7 The member's employer account shall be increased by any interest allocated under the provisions of the group annuity contract, and reduced by any expense charges made under the provisions of the group annuity 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; PROVIDED, 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.

Sec. 5. That original sections 23-2309, 84-1310, and 84-1311, Reissue Revised Statutes of Nebraska, 1943, and section 23-2310, Revised Statutes Supplement, 1982, are repealed.

Sec. 6. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.