

LEGISLATIVE BILL 1076

Approved by the Governor April 16, 1996

Introduced by Nebraska Retirement Systems Committee:

Wickersham, 49, Chairperson; Crosby, 29; Robak, 22; Wehrbein, 2; Witek, 31

AN ACT relating to retirement; to amend sections 24-701, 24-706, 79-1501, 79-1513, 79-1514, 79-1514.01, 79-1520, 79-1523, 79-1529, 79-1533, 81-2031, 84-1301, 84-1317, and 84-1321, Reissue Revised Statutes of Nebraska, sections 23-2315 and 23-2319, Revised Statutes Supplement, 1994, sections 23-2301, 23-2306, 23-2331, 79-1043, 79-1501.01, 81-2014, 81-2016, 84-1307, 84-1331, and 84-1503, Revised Statutes Supplement, 1995, and sections 79-1514.05, 79-1522, and 79-1522.01, Reissue Revised Statutes of Nebraska, as amended by sections 559, 568, and 569, respectively, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996; to define and redefine terms; to change and eliminate provisions relating to eligibility and vesting credit, purchase of service credit, adjustments of contributions and benefits, termination benefits, limitation of actions, certain post-retirement employment, disability, system membership, buy-backs, and contracts for actuarial services; to correct a reference to a federal act; to provide powers and duties; to provide a rebuttable presumption concerning the death or disability of a firefighter as a result of cancer; to harmonize provisions; to provide duties for the Revisor of Statutes; to repeal the original sections; and to outright repeal section 79-1519, Reissue Revised Statutes of Nebraska, as amended by section 565, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996.

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

Section 1. Section 23-2301, Revised Statutes Supplement, 1995, is amended to read:

23-2301. For purposes of the County Employees Retirement Act, unless the context otherwise requires:

(1) Employees ~~shall mean~~ means all persons or officers who are employed by a county of the State of Nebraska, ~~for twenty or more hours per week and who have completed at least twelve months of continuous service at any time,~~ persons employed as provided in section 2-1608, 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 employees ~~shall does~~ not include judges, persons making contributions to the School Retirement System of the State of Nebraska, or ~~nonelected employees and nonelected officials~~ officers of any county having a population in excess of one hundred fifty thousand inhabitants;

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

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

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

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

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

(7) Straight life annuity ~~shall mean~~ means 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~~ means 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~~ means service prior to the date of adoption of the retirement system;

(10) Future service ~~shall mean~~ means service following the date of

adoption of the retirement system;

(11) Group annuity contract ~~shall mean means~~ 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) Primary carrier ~~shall mean means~~ the life insurance company or trust company designated by the retirement board as the administrator of the retirement system;

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

(14) Disability ~~shall mean means~~ 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 means~~ the date on which a member is determined by the board to be disabled;

(16) Guaranteed investment contract ~~shall mean means~~ 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 means~~ 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;

(18) Eligibility and vesting credit means credit for years, or a fraction of a year, of participation in a Nebraska governmental plan for purposes of determining membership in the retirement system and vesting the employer account;

(19) Full-time employee means an employee who is employed to work one-half or more of the regularly scheduled hours during each pay period;

(20) Part-time employee means an employee who is employed to work less than one-half of the regularly scheduled hours during each pay period; and

(21) Plan year means the twelve-month period beginning on January 1 and ending on December 31.

Sec. 2. Section 23-2306, Revised Statutes Supplement, 1995, is amended to read:

23-2306. (1) The membership of the retirement system shall be composed of (a) all full-time employees who have been employees for a period of twelve continuous months, except that elected officials shall be eligible for membership members on taking office, and (b) all part-time employees who have attained the age of twenty-five, and have been employed for a total of twelve months, and who exercise the option to join the retirement system. ~~An~~ A part-time employee who exercises the option to join the retirement system shall remain in the system until termination or retirement.

(2) Within the first thirty days of employment, a full-time employee may apply to the board for eligibility and vesting credit for years of participation in ~~another~~ a Nebraska governmental plan, as defined by section 414(d) of the Internal Revenue Code. During the years of participation in the other Nebraska governmental plan, the employee must have been a full-time employee.

Sec. 3. Section 23-2315, Revised Statutes Supplement, 1994, is amended to read:

23-2315. (1) An employee may elect to retire at any time after attaining the age of fifty-five. An employee may retire as a result of disability at any age. The date specified in the retirement application or the first day of the month immediately following the last day of work date the retirement application is received, whichever is later, 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. 4. Section 23-2319, Revised Statutes Supplement, 1994, is amended to read:

23-2319. (1) Any member of the retirement system who ceases to be an employee before his or her fifty-fifth birthday may, upon application, receive from the primary carrier:

(a) If not vested, a termination benefit not to exceed the amount of his or her employee account ~~(i) payable in a lump sum or (ii) payable in a~~

lump sum deferred payable in a lump sum or an annuity with the lump sum or first annuity payment made at any time after termination but no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years; or

(b) If vested, a termination benefit not to exceed (i) the amount of his or her employee account payable in a lump sum or an annuity with the lump sum or first annuity payment made at any time after termination but no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years plus (ii) the amount of his or her employer account payable in a lump sum or an annuity with the lump sum or first annuity payment made at any time after the member's fifty-fifth birthday but no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years.

Benefits of a terminating member shall be deferred until the application is received, plus a deferred account provided by his or her employer account under which the lump-sum or first annuity payment shall be made no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years; (ii) the amount of the employee account payable in a lump sum plus a lump sum of the employer account deferred no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years; or (iii) the total amount of the employee account and the employer account payable in a lump sum deferred no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years; or

(c) A deferred account provided by the employee account and, if vested, the employer account under which the lump-sum or first annuity payment shall be made no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years.

If the terminating member does not make such application, he or she shall receive the benefits provided under subdivision (1)(c) of this section.

(2) At the option of the terminating member, any lump sum of the employer account or any annuity payment provided under subsection (1) of this section may shall commence as of the first of the month at any time after such member attains the age of fifty-five years and no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years. Such election by the terminating member may shall be made at any time prior to the commencement of the lump-sum or annuity payments.

(3) The vesting percentage shall be one hundred after a total of five years of (a) participation in the system plus (b) eligibility and vesting credit. The vesting percentage shall equal one hundred for any disability retirement under section 23-2315.

(4) If the terminating member is not credited with one hundred percent of his or her employer account, the remainder shall first be used to meet the expense charges incurred by the 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. 5. (1) If the board determines that the retirement system has previously received contributions or distributed benefits which for any reason are not in accordance with the statutory provisions of the County Employees Retirement Act, the board shall refund contributions, require additional contributions, adjust benefits, or require repayment of benefits paid. In the event of an overpayment of a benefit, the board may, in addition to other remedies, offset future benefit payments by the amount of the prior overpayment, together with regular interest thereon. In the event of an underpayment of a benefit, the board shall immediately make payment equal to the deficit amount plus regular interest.

(2) The board shall adopt and promulgate rules and regulations implementing this section, which shall include, but not be limited to, the following: (a) The procedures for refunding contributions, adjusting future contributions or benefit payments, and requiring additional contributions or repayment of benefits; (b) the process for a member, member's beneficiary, employee, or employer to dispute an adjustment of contributions or benefits; and (c) notice provided to all affected persons. All notices shall be sent prior to an adjustment and shall describe the process for disputing an adjustment of contributions or benefits.

Sec. 6. Every claim and demand under the County Employees Retirement Act and against the retirement system or the retirement board shall be forever barred unless the action is brought within two years of the time at which the claim accrued.

Sec. 7. Section 23-2331, Revised Statutes Supplement, 1995, is amended to read:

23-2331. Sections 23-2301 to 23-2310, ~~23-2312 to 23-2317, 23-2319 to 23-2322, and 23-2324 to 23-2332~~ and sections 5 and 6 of this act shall be known and may be cited as the County Employees Retirement Act.

Sec. 8. Section 24-701, Reissue Revised Statutes of Nebraska, is amended to read:

24-701. For purposes of sections 24-701 to 24-714 and sections 10 and 11 of this act, unless the context otherwise requires:

(1) Fund shall mean means the Nebraska Retirement Fund for Judges;
 (2) Judge shall mean and include means and includes (a) all judges 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)(i) all duly appointed judges of the Nebraska Workmen's Compensation Court who served in such capacity on and after September 20, 1957, and prior to July 17, 1986, and (ii) judges of the Nebraska Workers' Compensation Court who shall serve in such capacity on and after July 17, 1986, (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 clerk magistrates who were associate county judges and members of the fund at the time of their appointment as clerk magistrates, (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, and (g) judges of the Court of Appeals;

(3) Prior service shall mean means 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 means the period of service (a) any judge of the Supreme Court or judge of the district court shall serve serves in such capacity from and after January 3, 1957, (b)(i) any judge of the Nebraska Workmen's Compensation Court served in such capacity from and after September 20, 1957, and prior to July 17, 1986, and (ii) any judge of the Nebraska Workers' Compensation Court shall serve serves in such capacity on and after July 17, 1986, (c) any county judge shall serve serves in such capacity from and after January 5, 1961, (d) any judge of a separate juvenile court shall serve serves in such capacity, (e) any judge of the municipal court shall have served in such capacity subsequent to October 23, 1967, and prior to July 1, 1985, (f) any judge of the county court or associate county judge shall serve serves in such capacity subsequent to January 4, 1973, (g) any clerk magistrate, who was an associate county judge and a member of the fund at the time of appointment as a clerk magistrate, shall serve serves in such capacity from and after July 1, 1986, and (h) any judge of the Court of Appeals shall serve serves in such capacity on or after September 6, 1991;

(5) Military service shall mean means active service of (a) any judge of the Supreme Court or judge of the 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, if such service commenced while such judge was holding the office of judge, (b) any judge of the Nebraska Workmen's Compensation Court or the Nebraska Workers' 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, if such service commenced while such judge was holding the office of judge, (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, (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, (e) any clerk magistrate, who was an associate county judge and a member of the fund at the time of appointment as a clerk magistrate, in any of the armed forces of the United States during a war or national emergency on or after July 1, 1986, if such service commenced while such clerk magistrate was holding the office of clerk magistrate, and (f) any judge of the Court of Appeals in any of the armed forces of the United States during a war or national emergency on or after September 6, 1991, 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 means the total number of

years served as a judge, including prior service, military service, and current service, computed to the nearest one-twelfth year;

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

(8) Beneficiary shall mean means 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) Normal form annuity shall mean means a series of equal monthly payments payable at the end of each calendar month during the life of a retired judge as provided in sections 24-707 and 24-710. The first payment shall include all amounts accrued since the effective date of the award of the annuity. The last payment shall be at the end of the calendar month in which such judge dies. If at the time of death the amount of annuity payments such judge has received is less than contributions to the fund made by such judge, plus regular interest, the difference shall be paid to the beneficiary or estate;

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

(11) Member shall mean means a judge eligible to participate in the retirement system established under sections 24-701 to 24-714;

(12) Original member shall mean means a judge who first served as a judge prior to December 25, 1969, who does not elect to become a future member pursuant to subsection (8) of section 24-703 or section 24-710.01, and who was retired on or before December 31, 1992;

(13) Future member shall mean means a judge who first served as a judge on or after December 25, 1969, or shall mean means a judge who first served as a judge 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 or section 24-710.01;

(14) Final average compensation shall mean means the average monthly compensation for the last three years of service as a judge or, in the event of a judge serving less than three years, the average monthly compensation for such judge's period of service;

(15) Regular interest shall mean means the rate of interest earned each fiscal year commencing July 1, 1974, as determined by the board in conformity with actual and expected earnings on its investments, which may be credited monthly, quarterly, semiannually, or annually as the board may direct;

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

(17) Actuarial equivalence shall mean means 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 percent of the male table and twenty-five percent of the female table. An interest rate of seven percent per annum shall be reflected in making these determinations;

(18) Plan year means the twelve-month period beginning on July 1 and ending on June 30 of the following year; and

(19) Retirement system or system means the Nebraska Judges Retirement System as provided in sections 24-701 to 24-714 and sections 10 and 11 of this act.

Sec. 9. Section 24-706, Reissue Revised Statutes of Nebraska, is amended to read:

24-706. (1) Any member whose service is terminated prior to age sixty-five for any cause other than death may, upon written request to the board:

(a) Have returned to him or her the total amount of contributions which he or she has made to the fund, plus regular interest, and the return of such contributions to such judge shall preclude such judge from any benefits under sections 24-701 to 24-714 unless and until such judge again serves in such capacity and repays, commencing within three years of after rejoining the retirement system and prior to five years after rejoining the retirement system or prior to retirement, whichever is first, part or all of the amount withdrawn plus interest which would have accrued on such amount under the retirement system. If the member chooses not to repay such withdrawals with interest, the member shall enter the retirement system as a new member with no prior rights; or

(b) Leave his or her contributions in the fund and receive a retirement annuity as provided in sections 24-708 and 24-710.

(2) Any member whose service is terminated at or subsequent to age sixty-five shall be considered as beginning normal retirement and annuity

payments shall begin as provided in section 24-710.

Sec. 10. (1) If the board determines that the retirement system has previously received contributions or distributed benefits which for any reason are not in accordance with the statutory provisions of sections 24-701 to 24-714, the board shall refund contributions, require additional contributions, adjust benefits, or require repayment of benefits paid. In the event of an overpayment of a benefit, the board may, in addition to other remedies, offset future benefit payments by the amount of the prior overpayment, together with regular interest thereon. In the event of an underpayment of a benefit, the board shall immediately make payment equal to the deficit amount plus regular interest.

(2) The board shall adopt and promulgate rules and regulations implementing this section, which shall include, but not be limited to, the following: (a) The procedures for refunding contributions, adjusting future contributions or benefit payments, and requiring additional contributions or repayment of benefits; (b) the process for a member, member's beneficiary, employee, or employer to dispute an adjustment of contributions or benefits; and (c) notice provided to all affected persons. All notices shall be sent prior to an adjustment and shall describe the process for disputing an adjustment of contributions or benefits.

Sec. 11. Every claim and demand under sections 24-701 to 24-714 and section 10 of this act and against the retirement system or the board shall be forever barred unless the action is brought within two years of the time at which the claim accrued.

Sec. 12. Section 79-1043, Revised Statutes Supplement, 1995, is amended to read:

79-1043. (1) Any member who is eligible for reemployment on or after December 12, 1994, pursuant to 38 U.S.C. Chapter 43 38 U.S.C. chapter 43, as amended, or is eligible for reemployment under sections 55-160 to 55-163 may pay to the system after the date of his or her return from active military service, and within the period required by law, not to exceed five years, an amount equal to the sum of all deductions which would have been made from the salary which he or she would have received during the period of military service for which creditable service is desired. If such payment is made, the member shall be entitled to credit for membership service in determining his or her annuity for the period for which contributions have been made and the board shall be responsible for any funding necessary to provide for the benefit which is attributable to this increase in the member's creditable service. The member's payments shall be paid as the trustees may direct, through direct payments to the system or on an installment basis pursuant to a binding irrevocable payroll deduction authorization between the member and the school district. Creditable service may be purchased only in one-half-year increments, starting with the most recent year's salary.

(2) Under such rules and regulations as the board may prescribe, 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 any or all time he or she was on leave of absence. Such time 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 received if such member pays into the system an amount equal to the sum of the deductions from his or her salary for the portion of the leave for which creditable service is desired, any contribution which the school district would have been required to make for the portion of the leave for which creditable service is desired had he or she continued to receive salary at the level received immediately prior to the leave of absence, and regular interest on these combined payments from the date such deductions would have been made to the date of repayment, with such amounts to be paid as the trustees may direct through direct payments to the system or on an installment basis pursuant to a binding irrevocable payroll deduction authorization between the member and the school district over a period not to exceed five years from the date of the termination of his or her leave of absence. Interest on any delayed payment shall be at the rate of regular interest. Creditable service may be purchased only in one-half-year increments, starting with the most recent year's salary, and if payments are made on an installment basis, creditable service will be credited only as payment has been made to the system to purchase each additional one-half-year increment. 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 section 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 the Class V school district within one year after termination of the leave of absence.

Sec. 13. Section 79-1501, Reissue Revised Statutes of Nebraska, is amended to read:

79-1501. For purposes of the School Employees Retirement Act, unless the context otherwise requires:

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

(2) Beneficiary shall mean means any person in receipt of a school retirement allowance or other benefit provided by the act;

(3) Member shall mean means any person who has an account in the School Retirement Fund;

(4) County school official shall mean means 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 means prior service for which credit is granted under sections 79-1515 to 79-1518, service credit purchased under sections 22 to 25 of this act, and plus all service rendered while a contributing member of the retirement system. Creditable service includes 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 does not include lump-sum payments to the employee upon termination or retirement in lieu of accrued benefits for such days, eligibility and vesting credit, nor service years for which member contributions are withdrawn and not repaid;

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

(7) Employer shall mean means the State of Nebraska or any subdivision thereof or agency of the state or subdivision authorized by law to hire school employees or to pay their compensation;

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

(9) Regular interest shall mean means 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 means a school employee who has not arrived at his or her twenty-first birthday anniversary on August 15 preceding;

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

(12) School employee shall mean means a contributing member who acquires five hundred sixteen hours or more of service in a fiscal year and thereby earns one-half year of service credit. A contributing member who acquires one thousand thirty-two hours or more of service in a fiscal year shall earn one year of service credit. For purposes of this subdivision section, contributing member shall mean means 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 workweek of not less than thirty hours; and (c) part-time employees hired on a workweek of not less than fifteen hours;

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

(14) Public school shall mean means 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 or other entities established, maintained, and controlled by the school boards of local school districts, and schools under the control and management of the Nebraska state colleges or the Board of Regents of the University of Nebraska; any educational service unit, and any other educational institution wholly supported by public funds, except schools under the control and management of the Board of Trustees of the Nebraska State Colleges, the Board of Regents of the University of Nebraska, or the community college boards of governors for any community college areas;

(15) Retirement shall mean means qualifying for and accepting a school or disability retirement allowance granted under the act;

- (16) Retirement board or board shall mean means the Public Employees Retirement Board;
- (17) Retirement system shall mean means the School Retirement System of the State of Nebraska;
- (18) Required deposit shall mean means the deduction from a member's compensation as provided for in section 79-1531 which shall be deposited in the School Retirement Fund;
- (19) School year shall mean means one fiscal year which shall include includes not less than one thousand thirty-two instructional hours or, in the case of service in the State of Nebraska prior to July 1, 1945, not less than seventy-five percent of the then legal school year;
- (20) Senior school employee shall mean means a school employee who has arrived at his or her twenty-first birthday anniversary on August 15 preceding;
- (21) Service shall mean means service as a school employee;
- (22) School retirement allowance shall mean means the total of the savings annuity and the service annuity or formula annuity paid a person who has retired under sections 79-1520 to 79-1522.02, 79-1522.04, and 79-1522.05. 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. The last payment shall be at the end of the calendar month in which such member dies;
- (23) Service annuity shall mean means 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 means the deposit by the state in the retirement system on behalf of any member;
- (25) State school official shall mean means 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) Savings annuity shall mean means payments for life, made in equal monthly payments, derived from the accumulated contributions of a member;
- (27) Emeritus member shall mean means a person (a) who has entered retirement under the provisions of the act, 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, (b) who has thereafter been reemployed in any capacity by a public school in Nebraska as defined in subdivision (14) of this section, including schools under the control and management of the Board of Trustees of the Nebraska State Colleges, the Board of Regents of the University of Nebraska, or a community college board of governors, or has become a state school official or county school official subsequent to such retirement, and (c) 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 or agency for such services;
- (28) Primary carrier shall mean means the life insurance companies and trust companies designated as the underwriter or trustee of the retirement system;
- (29) Actuarial equivalent shall mean means the equality in value of the aggregate amounts expected to be received under different forms of payment. The determinations shall be based on the 1971 Group Annuity Mortality Table reflecting sex-distinct factors blended using twenty-five percent of the male table and seventy-five percent of the female table. An interest rate of seven percent per annum shall be reflected in making these determinations;
- (30) Retirement date shall mean means the first day of the month following the date upon which a member's request for retirement is received on an a retirement application form provided by the retirement system if the member has ceased employment in the school system. An application may be filed no more than ninety days in advance of the date on which a member ceases employment in the school system;
- (31) Disability retirement date shall mean means the first day of the month following the date upon which a member's request for disability retirement is received on an a retirement application form provided by the retirement system if the member has ceased employment in the school system and has complied with sections 79-1523 to 79-1526 as such sections refer to disability retirement; and
- (32) Retirement application form shall mean means the form approved by the retirement system for acceptance of a member's request for either regular or disability retirement;

(33) Eligibility and vesting credit means credit for years, or a fraction of a year, of participation in a Nebraska government plan for purposes of determining eligibility for benefits under the School Employees Retirement Act. Such credit shall not be included as years of creditable service in the benefit calculation.

(34) Final average compensation means (a) for full-time employees, the member's total compensation subject to required deposits for the three fiscal years in which such compensation was the highest divided by thirty-six, and (b) for part-time employees, the member's total adjusted compensation subject to required deposits for the three fiscal years in which such adjusted compensation was the highest divided by thirty-six. If a member has such compensation for less than three such fiscal years, his or her final average compensation shall be determined by dividing his or her total compensation in all such years by the total number of months of his or her creditable service therefor. Adjusted compensation for any year shall be equal to actual pay times the ratio of one to the actual credited service for such year; and

(35) Plan year means the twelve-month period beginning on July 1 and ending on June 30 of the following year.

Sec. 14. Section 79-1501.01, Revised Statutes Supplement, 1995, is amended to read:

79-1501.01. Sections 79-1501 to 79-1567 and sections 22 to 26, 30, and 31 of this act shall be known and may be cited as the School Employees Retirement Act.

Sec. 15. Section 79-1513, Reissue Revised Statutes of Nebraska, is amended to read:

79-1513. Any person who is employed by the Board of Trustees of the Nebraska State Colleges, the Board of Regents of the University of Nebraska, or a community college board of governors shall not come under the provisions of the School Employees Retirement Act.

Sec. 16. Section 79-1514, Reissue Revised Statutes of Nebraska, is amended to read:

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 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 and if such employee chooses within three years of rejoining the system to repay, within three five years of the date on which he or she rejoins the retirement system or prior to retirement, whichever is first, to the retirement board part or all of the amount he or she has withdrawn plus interest which would have accrued on that amount under the retirement system. If the school employee chooses not to repay such withdrawals with interest, the school employee shall enter the system as a new member with no prior rights.

Sec. 17. Section 79-1514.01, Reissue Revised Statutes of Nebraska, is amended to read:

79-1514.01. (1) Commencing July 1, 1985, a beneficiary retired under the School Employees Retirement Act who returns to employment as a school employee, except for members retired under sections 79-1523 to 79-1526, may waive the payments and return to regular employment in a public school of this state if the beneficiary notifies the retirement board in advance of the time and place of such employment and that he or she will become a member of the retirement system. The 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.

Upon termination of such employment, if the beneficiary notifies the retirement board in writing upon forms prescribed by such board, his or her school retirement allowance under the option previously elected, specified under group annuity contract if one exists or under the option permitted by the retirement board if no group annuity contract exists, shall be reinstated.

(2) For any service credit earned after returning to employment, upon rereirement such member shall become eligible for the retirement allowance provided in sections 79-1522 and 79-1522.01. At the option of the terminating member, such annuity may commence at any time after such member attains the age of sixty and before his or her sixty-fifth birthday on an actuarially reduced basis. Such election by the terminating member may be made at any time prior to the commencement of the annuity payments.

At any time before the new retirement date, a member may elect to receive his or her new school retirement allowance as provided in section 568 or 569, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996.

under any optional form specified in the group annuity contract if one exists or under any optional form permitted by the retirement board if no group annuity contract exists. Such optional annuity shall be the actuarial equivalent of the normal form of the annuity.

(3) A person receiving a retirement benefit may accept employment in a postsecondary school under the control and management of the Board of Trustees of the Nebraska State Colleges, the Board of Regents of the University of Nebraska, a community college board of governors for any community college area established by section 85-1504, or any other state agency without having to waive retirement payments, without having to notify the retirement board, and without being subject to any withholding of future retirement payments relating to any retirement system which is provided for a public school.

(4) For a beneficiary who is employed as a public school substitute employee for more than seventy-five percent of the instructional hours in any school year, the state service annuity shall be reduced by fifty percent. 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 notifies 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 the individual service annuity for a part-time employee shall be determined on a proportional basis.

Sec. 18. Section 79-1514.05, Reissue Revised Statutes of Nebraska, as amended by section 559, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996, is amended to read:

79-1514.05. The retirement board may shall adopt and promulgate rules and regulations to allow for lump-sum or installment payments for school employees who elect to buy credit for prior years of service under sections section 556 and 568 of this act and sections 22 to 25 of this act. Any person who elects to buy credit for prior years of service on an installment basis may be charged reasonable service costs, shall be credited with those prior years of service only as the money is actually received by the retirement system, and shall have paid to the retirement system all installments prior to the commencement of a retirement annuity.

Sec. 19. Section 79-1520, Reissue Revised Statutes of Nebraska, is amended to read:

79-1520. Upon filing a retirement application with the retirement system, a member who has completed thirty-five years of creditable service may retire at any age, or a member who has completed at least five years of (1) creditable service plus (2) eligibility and vesting credit and is at least sixty years of age may retire, or a member who is at least sixty-five years of age upon termination may retire.

Sec. 20. Section 79-1522, Reissue Revised Statutes of Nebraska, as amended by section 568, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996, is amended to read:

79-1522. (1) Upon retirement under section 566 of this act, a member or emeritus member if a member or an emeritus member has five or more years of creditable service, he or she shall receive a school retirement allowance which shall consist of the sum of: (a) (1) 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) (2) 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 an emeritus member shall be three dollars and fifty cents per month for each year of creditable service commencing with his or her retirement on or after May 19, 1981, except that if the service annuity commences prior to the member's sixty-fifth birthday, it shall be on an actuarially reduced basis. 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 adopt and promulgate, an employee, upon rejoining the retirement 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 614 of this act if such member has 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, 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 614 of this act in excess of the time he or she has been in service as a school employee in this state.

(4) For a beneficiary who is employed as a public school substitute employee for more than seventy-five percent of the instructional hours in any school year, the state service annuity shall be reduced by fifty percent. 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 notifies 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 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 compensation at the level received immediately prior to the leave of absence. Such credit shall be allowed if such member has paid into the system an amount equal to the sum of the deductions from his or her compensation and any contribution which the school district would have been required to make had he or she continued to receive compensation at the level received immediately prior to the leave of absence, with such deposits plus interest which would have accrued on 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 614 of this act prior to April 20, 1986, 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 compensation and years of service out of state or under the school retirement system established pursuant to section 614 of this act 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 April

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Sec. 21. Section 79-1522.01, Reissue Revised Statutes of Nebraska, as amended by section 569, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996, is amended to read:

~~79-1522-01-~~ (1) In lieu of the school retirement allowance provided by section 568 of this act, any member who is not an employee of a Class V school district and who becomes eligible to make application for and receive a school retirement allowance under section 566 of this act may receive a formula annuity retirement allowance if it is greater than the school retirement allowance provided by section 568 of this act.

(2) Subject to the other provisions of this section, the monthly formula annuity in the normal form shall be determined by multiplying the number of years of creditable service for which such member would otherwise receive the service annuity provided by section 568 of this act ~~(a)~~ by (a) one and one-quarter percent of his or her final average compensation for a member who has acquired the equivalent of one-half year of service or more as a public school employee under the retirement system following August 24, 1975, (b) by one and one-half percent of his or her final average compensation for a member who has acquired the equivalent of one-half year of service or more as a public school employee under the retirement system following July 17, 1982, (c) by one and sixty-five hundredths percent of his or her final average compensation for a member who has acquired the equivalent of one-half year of service or more as a public school employee under the retirement system following July 1, 1984, or (d) by one and seventy-three hundredths percent of his or her final average compensation for a member actively employed as a public school employee under the retirement system or under contract with an employer on or after June 5, 1993.

(3) If the annuity begins on or after the sixty-fifth birthday of a member, the annuity shall not be reduced. If the annuity begins prior to the sixty-fifth birthday of the member and the member has completed thirty or more years of creditable service and is at least sixty years of age, the annuity shall not be reduced. If the annuity begins prior to the sixtieth birthday of the member and the member has completed thirty-five or more years of creditable service, the annuity shall be actuarially reduced on the basis of age sixty-five. If the annuity begins on or after the sixtieth birthday of the member and the member has completed at least a total of five or more years of (a) creditable service plus (b) eligibility and vesting credit but less than thirty years of creditable service, the annuity shall be reduced by three percent for each year by which the member's age is less than the age at which the member's age plus years of creditable service would have totaled ninety or three percent for each year after the member's sixtieth birthday and prior to his or her sixty-fifth birthday, whichever provides the greater annuity. A member shall have acquired the equivalent of one-half year of service or more as a public school employee under the retirement system following August 24, 1975; to be eligible for computation of his or her formula annuity using one and one-quarter percent of his or her final average compensation as one of the factors; shall have acquired the equivalent of one-half year of service or more as a public school employee under the retirement system following July 17, 1982; to be eligible for computation of his or her formula annuity using one and one-half percent of his or her final average compensation as one of the factors; or shall have acquired the equivalent of one-half year of service or more as a public school employee under the retirement system following July 1, 1984; to be eligible for computation of his or her formula annuity using one and sixty-five hundredths percent of his or her final average compensation as one of the factors. A member shall be actively employed as a public school employee under the retirement system or under contract with an employer on June 1, 1993; to be eligible for computation of his or her formula annuity using one and seventy-three hundredths percent of his or her final average compensation as one of the factors.

~~(3)~~ (4) The normal form of the formula annuity shall be an annuity payable monthly during the remainder of the member's life with the provision that in the event of his or her death before sixty monthly payments have been made the monthly payments will be continued to his or her estate or to the beneficiary he or she has designated until sixty monthly payments have been made. A member may elect to receive in lieu of the normal form of annuity an actuarially equivalent annuity in any optional form provided by section 573 of this act.

~~(4)~~ Final average compensation for full-time employees shall be determined by dividing the member's total compensation subject to required deposits for the three fiscal years in which such compensation was the highest by thirty-six. Final average compensation for part-time employees shall be determined by dividing total adjusted compensation subject to required

deposits for the three fiscal years in which such adjusted compensation was the highest by thirty-six. If a member has such compensation for less than three such fiscal years, his or her final average compensation shall be determined by dividing his or her total compensation in all such years by twelve times the total number of years of his or her service therefor. Adjusted compensation for any year shall be equal to actual pay times the ratio of one to the actual credited service for such year.

(5) All formula annuities shall be paid from the Annuity Reserve Account. Upon the granting of a formula annuity, there shall be transferred to the Annuity Reserve Account: (a) From the Service Annuity Account, the value of the service annuity which would otherwise be payable; (b) from the School Employees Savings Account, the accumulated contributions of the member; and (c) from the School Employers Deposit Account, the value of the formula annuity in excess of the amounts transferred from the Service Annuity Account and the School Employees Savings Account. The amounts transferred from the Service Annuity Account at any time after such member attains sixty years of age and prior to his or her sixty-fifth birthday or thirty-five years of creditable service shall be on an actuarially reduced basis.

(6) A person receiving a retirement benefit may accept employment in a postsecondary school under the control and management of the Board of Trustees of the Nebraska State Colleges; the Board of Regents of the University of Nebraska; the Community College Board of Governors for each community college area established by section 85-1504; or any other state agency without having to waive retirement payments; without having to notify the retirement board; and without being subject to any withholding of future retirement payments relating to any retirement system which is provided for a public school.

Sec. 22. (1) Under such rules and regulations as the board shall adopt and promulgate, a member under contract or employed on the effective date of this act 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 a school retirement system established pursuant to section 614, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996, if such member files an application for service credit within three years of membership or reinstatement in the School Retirement System of the State of Nebraska and makes payment into the retirement system of an amount equal to the required deposits he or she would have paid had he or she been employed in this state, plus the interest which would have accrued on such amount. Payment must be completed within five years of membership or reinstatement in the retirement system, or prior to retirement, whichever is first.

(2) 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 614, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996, in excess of the time he or she has been in service as a school employee in this state. The board shall refund to the member the payments made pursuant to subsection (1) of this section to the extent that the member does not receive credit for such service.

Sec. 23. For members under contract or employed on the effective date of this act and under such rules and regulations as the board shall 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 such 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 compensation at the level received immediately prior to the leave of absence. Such credit shall be allowed if such member has paid into the retirement system an amount equal to the sum of the deductions from his or her compensation and any contribution which the school district would have been required to make had he or she continued to receive compensation at the level received immediately prior to the leave of absence with such deposits plus interest which would have accrued on such deposits to be paid as the retirement board may direct within five years of his or her return to employment with a school district, or prior to retirement, whichever is first. 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 section 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 and must apply for such credit within three years of the return to employment with a school district.

Sec. 24. (1) A member hired or rehired after the effective date of this act may purchase service credit for not to exceed ten years of creditable service rendered in public schools in another state or schools in this state covered by the school retirement system established pursuant to section 614, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996. The election to purchase service credit shall be made within three years of employment or reemployment. The amount to be paid by the member for such service credit shall equal the actuarial cost to the School Retirement System of the State of Nebraska for allowing such additional service credit to the employee. Payment shall be completed within five years of employment or reemployment or prior to retirement, whichever occurs first, and may be made through direct payment, installment payments, or an irrevocable payroll deduction authorization.

(2) 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 614, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996, in excess of the time he or she has been in service as a school employee in this state. The board shall refund to the member the payments made pursuant to this section to the extent that the member does not receive credit for such service.

(3) Compensation for the period of service purchased shall not be included in determining the member's final average compensation.

Sec. 25. (1) Any member hired or rehired after the effective date of this act may purchase service credit for time he or she was on a leave of absence 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. 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 election to purchase service credit shall be made within three years of employment or reemployment. The amount to be paid by the member for such service credit shall equal the actuarial cost to the School Retirement System of the State of Nebraska for allowing such additional service credit to the employee. Payment shall be completed within five years of employment or reemployment or prior to retirement, whichever occurs first, and may be made through direct payment, installment payments, or an irrevocable payroll deduction authorization.

(2) 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. Such leave 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.

(3) Compensation for the period of service purchased shall not be included in determining the member's final average compensation.

Sec. 26. The board shall adopt and promulgate rules and regulations for the purchase of service credit, which shall include, but not be limited to, the method for determining actuarial cost and interest requirements for payments other than one lump-sum payment.

Sec. 27. Section 79-1523, Reissue Revised Statutes of Nebraska, is amended to read:

79-1523. A member shall be retired on account of disability, either upon his or her own application or the application of his or her employer or a person acting in his or her behalf, if a medical examination, made at the expense of the retirement system and conducted by a competent disinterested physician who is duly licensed to practice medicine in this state selected by the retirement board, shows and the physician certifies to the retirement board that the member is physically or mentally incapacitated for the further performance of duty as a school employee and ought to be retired. The member shall have one year from the date he or she ceases employment in a public school located in Nebraska in which to make application for disability

retirement benefits. Any application for retirement on account of disability shall be made on ~~an~~ a retirement application form provided by the retirement system. Upon approval by the board, benefits shall begin on the disability retirement date.

Sec. 28. Section 79-1529, Reissue Revised Statutes of Nebraska, is amended to read:

79-1529. If any member ceases to be a school employee for any reason other than death, before qualifying for retirement under section 79-1520, the board shall, upon request, issue him or her a certified service record and statement of accumulated contributions and retain such member's accumulated contributions. In such event, no further contributions shall be required, interest on accumulated contributions shall continue to be credited to his or her account, and none of the member's retirement rights shall be canceled. At age sixty-five or after thirty-five years of creditable service, such member shall become eligible to receive the retirement allowance provided in sections 79-1522 and 79-1522.01. Any deferred formula annuity provided shall be based on the member's compensation preceding the date of termination as if the member had retired on his or her date of termination. At the option of the terminating member, and if such member has completed at least five but less than thirty-five years of creditable service, such annuity may commence at any time after such member attains the age of sixty and before his or her sixty-fifth birthday and shall be reduced by the percentages prescribed in section 79-1522.01. Such election by the terminating member may be made at any time prior to the commencement of the annuity payments.

Sec. 29. Section 79-1533, Reissue Revised Statutes of Nebraska, is amended to read:

79-1533. Every employer shall deduct and withhold an amount pursuant to section 79-1531 from the compensation as a school employee of each member on each and every payroll period after such school employee becomes a member of the retirement system. The employer, through its proper agents, the city or county superintendent, or the secretary of the school board or board of education, shall transmit monthly, quarterly, or semiannually if the retirement board so directs a copy of such payroll, in such form as is approved by the retirement board, and a remittance payable to the order of the State Treasurer for all deductions from the compensation of members on such payroll. The remittances may be by draft, money order, check, or otherwise according to rules and regulations adopted and promulgated by the retirement board. The board may charge the employer a late fee, not to exceed fifty dollars, if the quarterly deduction report, the summary of monthly remittance report, or the monthly money due is not received and properly completed by the date due as prescribed by the board. The board shall charge the employer an amount equal to the interest which would have accrued if the delinquent report causes the employee to lose interest on his or her account. The proceeds of the interest charge shall be used to reimburse the account of each school employee deprived of interest by the delay.

Sec. 30. (1) If the board determines that the retirement system has previously received contributions or distributed benefits which for any reason are not in accordance with the statutory provisions of the School Employees Retirement Act, the board shall refund contributions, require additional contributions, adjust benefits, or require repayment of benefits paid. In the event of an overpayment of a benefit, the board may, in addition to other remedies, offset future benefit payments by the amount of the prior overpayment, together with regular interest thereon. In the event of an underpayment of a benefit, the board shall immediately make payment equal to the deficit amount plus regular interest.

(2) The board shall adopt and promulgate rules and regulations implementing this section, which shall include, but not be limited to, the following: (a) The procedures for refunding contributions, adjusting future contributions or benefit payments, and requiring additional contributions or repayment of benefits; (b) the process for a member, member's beneficiary, employee, or employer to dispute an adjustment of contributions or benefits; and (c) notice provided to all affected persons. All notices shall be sent prior to an adjustment and shall describe the process for disputing an adjustment of contributions or benefits.

Sec. 31. Every claim and demand under the School Employees Retirement Act and against the retirement system or the retirement board shall be forever barred unless the action is brought within two years of the time at which the claim accrued.

Sec. 32. Section 81-2014, Revised Statutes Supplement, 1995, is amended to read:

81-2014. For purposes of sections 81-2014 to 81-2036 and sections 35 and 36 of this act:

(1) Actuarial equivalent ~~shall mean~~ means the equality in value of the aggregate amounts expected to be received under different forms of payment or to be received at an earlier retirement age than the normal retirement age. The determinations shall be based on the 1983 Group Annuity Mortality Table reflecting sex-distinct factors blended using seventy-five percent of the male table and twenty-five percent of the female table;

(2) Board ~~shall mean~~ means the Public Employees Retirement Board;

and
(3) Eligibility and vesting credit means credit for years, or a fraction of a year, of participation in a Nebraska government plan for purposes of determining eligibility for benefits under sections 81-2014 to 81-2036. Such credit shall be used toward the vesting percentage pursuant to subsection (2) of section 81-2031 but shall not be included as years of service in the benefit calculation.

(4) Officer ~~shall mean~~ means an officer provided for in sections 81-2001 to 81-2009;

(5) Plan year means the twelve-month period beginning on July 1 and ending on June 30 of the following year; and

(6) Retirement system or system means the Nebraska State Patrol Retirement System as provided in sections 81-2014 to 81-2036 and sections 35 and 36 of this act.

Sec. 33. Section 81-2016, Revised Statutes Supplement, 1995, is amended to read:

81-2016. (1) Every member of the Nebraska State Patrol who was employed by the State of Nebraska as such, on September 7, 1947, and every person employed as a member of such patrol thereafter, shall be a member of this system.

(2) Within the first thirty days of employment, a member may apply to the board for eligibility and vesting credit for years of participation in another Nebraska governmental plan, as defined by section 414(d) of the Internal Revenue Code. Such credit shall be used toward the vesting percentage pursuant to subsection (2) of section 81-2031 but shall not be included as years of service in the benefit calculation.

Sec. 34. Section 81-2031, Reissue Revised Statutes of Nebraska, is amended to read:

81-2031. (1) If any officer, prior to becoming eligible to retire, as provided in section 81-2025, separates from state service as an officer for reasons other than death or disability, either voluntarily or involuntarily, such officer shall thereupon be entitled to receive all payments which have been made by compensation deductions into the State Patrol Retirement Fund plus regular interest earned each fiscal year commencing July 1, 1974, as determined by the board in conformity with actual and expected earnings on its investments and credited monthly, quarterly, semiannually, or annually as the board may direct. The return of such contributions and interest to such officer shall preclude such officer from any benefits under sections 81-2014 to 81-2036 unless and until such officer is reemployed in such capacity and repays, commencing within three years of rejoining the system and prior to five years after rejoining the retirement system or prior to retirement, whichever is first, part or all of the amount withdrawn plus interest which would have accrued on that amount under the system. If the officer chooses not to repay such withdrawals with interest, the officer shall enter the system as a new member with no prior rights.

(2) In lieu of the benefit described in subsection (1) of this section, the officer may elect to receive a deferred annuity to commence as early as age fifty. If this election is made, the contributions made to the system by the officer may not be withdrawn from the system. The deferred annuity shall be computed as a percentage of the retirement annuity, as computed in subsection (1) of section 81-2026. The percentage shall be zero percent for the first five years of (a) service plus (b) eligibility and vesting credit; twenty percent for each completed year of service for the next five years of (i) service plus (ii) eligibility and vesting credit; and one hundred percent after ten completed years of (A) service plus (B) eligibility and vesting credit. In the event of the death of any officer during the deferred period, the accumulated value of the officer's contributions at the date of termination plus regular interest to the date of his or her death shall be paid to such officer's beneficiary.

Sec. 35. (1) If the board determines that the retirement system has previously received contributions or distributed benefits which for any reason are not in accordance with the statutory provisions of sections 81-2014 to 81-2036, the board shall refund contributions, require additional contributions, adjust benefits, or require repayment of benefits paid. In the event of an overpayment of a benefit, the board may, in addition to other

remedies, offset future benefit payments by the amount of the prior overpayment, together with regular interest thereon. In the event of an underpayment of a benefit, the board shall immediately make payment equal to the deficit amount plus regular interest.

(2) The board shall adopt and promulgate rules and regulations implementing this section, which shall include, but not be limited to, the following: (a) The procedures for refunding contributions, adjusting future contributions or benefit payments, and requiring additional contributions or repayment of benefits; (b) the process for a member, member's beneficiary, employee, or employer to dispute an adjustment of contributions or benefits; and (c) notice provided to all affected persons. All notices shall be sent prior to an adjustment and shall describe the process for disputing an adjustment of contributions or benefits.

Sec. 36. Every claim and demand under sections 81-2014 to 81-2036 and section 35 of this act and against the retirement system or the board shall be forever barred unless the action is brought within two years of the time at which the claim accrued.

Sec. 37. Section 84-1301, Reissue Revised Statutes of Nebraska, is amended to read:

84-1301. For purposes of the State Employees Retirement Act, unless the context otherwise requires:

(1) Employee ~~shall mean~~ means any employee of the State Board of Agriculture who is a member of the state retirement ~~plan system~~ system 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. Employees ~~shall does not include~~ (a) judges as defined in section 24-701, (b) members of the Nebraska State Patrol, (c) employees of the University of Nebraska, (d) employees of the state colleges, (e) employees of community colleges, (f) 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, (g) the Commissioner of Labor employed prior to July 1, 1984, (h) employees of the State Board of Agriculture who are not members of the state retirement ~~plan system~~ system on July 1, 1982, (i) the Nebraska National Guard air and army technicians, (j) persons eligible for membership under the School Retirement System of the State of Nebraska who have not elected to become members of the retirement system pursuant to section 79-1565 or been made members of the system pursuant to such section, except that those persons so eligible and who as of September 2, 1973, are contributing to the State Employees Retirement System of the State of Nebraska shall continue as members of such system, or (k) employees of the Coordinating Commission for Postsecondary Education who are eligible for and have elected to become members of a qualified retirement program approved by the commission which is commensurate with retirement programs at the University of Nebraska. Any individual appointed by the Governor may elect not to become a member of such retirement system;

(2) Part-time employee ~~shall mean~~ means an employee who ~~works is~~ employed to work less than one-half of the regularly scheduled hours during each pay period;

(3) Retirement ~~shall mean~~ means qualifying for and terminating employment after becoming qualified to receive the retirement allowance granted under the State Employees Retirement Act;

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

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

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

(7) Service ~~shall mean~~ means the actual total length of employment as an employee and ~~shall include~~ includes leave of absence because of disability or military service when properly authorized by the retirement board but ~~shall does 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~~ means 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~~ means service before January 1, 1964;

(10) Group annuity contract ~~shall mean~~ means 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, 84-1323, and 84-1323.01;

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

(12) State department shall mean means any department, bureau, commission, or other division of state government not otherwise specifically defined or exempted in the State Employees Retirement Act, the employees and officers of which are not already covered by a retirement plan;

(13) Disability shall mean means 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 means the date on which a member is determined to be disabled by the board;

(15) Regular interest shall mean means 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 means the State Employees Retirement Fund created by section 84-1309;

(17) Guaranteed investment contract shall mean means 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 means one or more insurance companies, bank trust departments, or independent investment advisors designated to invest any portion of the fund;

(19) Eligibility and vesting credit means credit for years, or a fraction of a year, of participation in a Nebraska governmental plan for purposes of determining membership in the system and vesting the employer account.

(20) Full-time employee means an employee who is employed to work one-half or more of the regularly scheduled hours during each pay period; and

(21) Plan year means the twelve-month period beginning on January 1 and ending on December 31.

Sec. 38. Section 84-1307, Revised Statutes Supplement, 1995, is amended to read:

84-1307. (1) The membership of the retirement system shall be composed of (a) 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 (b) all permanent full-time or part-time employees who have been employees for a total of twelve months, who have attained the age of twenty, 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. Membership shall not include part-time or temporary employees except (i) such permanent 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, (ii) such permanent part-time employees who are members of the system, and (iii) permanent part-time employees who join the system as provided in subdivision (1)(b) of this section.

(2) Within the first thirty days of employment, a full-time employee may apply to the board for eligibility and vesting credit for years of participation in another a Nebraska governmental plan, as defined by section 414(d) of the Internal Revenue Code. During the years of participation in the other Nebraska governmental plan, the employee must have been a full-time employee.

Sec. 39. Section 84-1317, Reissue Revised Statutes of Nebraska, is amended to read:

84-1317. An employee may elect to retire on the attainment of age sixty-five or after the attainment of age fifty-five with five years of service. An employee may retire as a result of disability at any age.

The date specified in the retirement application or the first of the month immediately following the last day of work date the retirement application is received, whichever is later, shall be the retirement date, except that disability retirement benefits shall be paid from the date of disability as determined by the board. First payments pertaining to retirements under prior service provisions of the State Employees Retirement Act 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. 40. Section 84-1321, Reissue Revised Statutes of Nebraska, is amended to read:

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) If not vested, a termination benefit not to exceed the amount in his or her employee account ~~(i) payable in a lump sum or (ii) payable in a lump sum deferred payable in a lump sum or an annuity with the lump sum or first annuity payment made at any time after termination but no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years; or~~

(b) If vested, a termination benefit not to exceed (i) the amount in his or her employee account payable in a lump sum or an annuity with the lump sum or first annuity payment made at any time after termination but no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years plus (ii) the amount of his or her employer account payable in a lump sum or an annuity with the lump sum or first annuity payment made at any time after the member's fifty-fifth birthday but no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years.

Benefits of a terminating member shall be deferred until the application is received, plus a deferred account provided by his or her employer account under which the lump-sum or first annuity payment shall be made no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years; (iii) the amount of the employee account payable in a lump sum plus a lump sum of the employer account deferred no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years; or (iii) the total amount of the employee account and the employer account payable in a lump sum deferred no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years; or

(c) A deferred account provided by the employee account and; if vested; the employer account under which the lump-sum or first annuity payment shall be made no later than the sixtieth day after the end of the year in which the member attains the age of seventy and one-half years.

If the terminating member does not make application he or she shall receive the benefits provided under subdivision (1)(c) of this section.

(2) At the option of the terminating member, any lump sum of the vested portion of the employer account or any annuity provided under subsection (1) of this section may shall commence as of the first of the month at any time after such member attains the age of fifty-five or may be deferred, except that no benefit shall be deferred later than the sixtieth day after the end of the year in which the employee has both attained at least seventy and one-half years of age and has terminated his or her employment with the state. Such election by the terminating member may shall be made at any time prior to the commencement of the lump-sum or annuity payments.

(3) The vesting percentage shall be one hundred after a total of five years of (a) participation in the retirement plan system plus (b) eligibility and vesting credit. The vesting percentage shall equal one hundred for any disability retirement under section 84-1317.

(4) In the event that the terminating member is not credited with one hundred percent 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.

(5) If a member ceases to be an employee due to the termination of his or her employment by the state and a grievance or other appeal of the termination is filed, transactions involving forfeiture of his or her employer account shall be suspended pending the final outcome of the grievance or other appeal.

Sec. 41. (1) If the board determines that the retirement system has previously received contributions or distributed benefits which for any reason are not in accordance with the statutory provisions of the State Employees Retirement Act, the board shall refund contributions, require additional contributions, adjust benefits, or require repayment of benefits paid. In the event of an overpayment of a benefit, the board may, in addition to other remedies, offset future benefit payments by the amount of the prior

overpayment, together with regular interest thereon. In the event of an underpayment of a benefit, the board shall immediately make payment equal to the deficit amount plus regular interest.

(2) The board shall adopt and promulgate rules and regulations implementing this section, which shall include, but not be limited to, the following: (a) The procedures for refunding contributions, adjusting future contributions or benefit payments, and requiring additional contributions or repayment of benefits; (b) the process for a member, member's beneficiary, employee, or employer to dispute an adjustment of contributions or benefits; and (c) notice provided to all affected persons. All notices shall be sent prior to an adjustment and shall describe the process for disputing an adjustment of contributions or benefits.

Sec. 42. Every claim and demand under the State Employees Retirement Act and against the retirement system or the retirement board shall be forever barred unless the action is brought within two years of the time at which the claim accrued.

Sec. 43. Section 84-1331, Revised Statutes Supplement, 1995, is amended to read:

84-1331. Sections 84-1301 to 84-1331 and sections 41 and 42 of this act shall be known and may be cited as the State Employees Retirement Act.

Sec. 44. Section 84-1503, Revised Statutes Supplement, 1995, is amended to read:

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

(a) To administer the retirement systems provided for in the County Employees Retirement Act, the School Employees Retirement Act, the State Employees Retirement Act, and sections 24-701 to 24-714 and 81-2014 to 81-2036;

(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;

(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 are specified by law; and

(d) To administer the deferred compensation program authorized in section 84-1504.

(2) In administering the retirement systems listed in subdivision (1)(a) of this section, it shall be the duty of the board:

(a) With respect to the retirement systems for which the board invests funds, to use the services of the state investment officer or 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, trust companies, or investment managers authorized to do business in Nebraska to underwrite, 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, 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 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, such person is under a duty to use such skills;

(b) With respect to the retirement systems for which the board invests funds, to change underwriters, 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;

(c) To determine the prior service annuity, if any, for each person who is 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 individual's employer;

(e) To adopt and promulgate 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;

(g) To obtain, by a competitive, formal, and sealed bidding process

through the materiel division of the Department of Administrative Services, actuarial services on behalf of the State of Nebraska as may be necessary in the administration and development of the retirement systems. Any contract for actuarial services shall contain a provision allowing the actuary, without prior approval of the board, to perform actuarial studies of the systems as requested by entities other than the board, if notice, which does not identify the entity or substance of the request, is given to the board, all costs are paid by the requesting entity, results are provided to the board upon being made public, and such actuarial studies do not interfere with the actuary's ongoing responsibility to the board. The term of the contract may also contain an option for renewal without a shall be for up to three years. A competitive, formal, and sealed bidding process for up to shall be completed at least once in every three years. An actuary under contract for the State of Nebraska shall be a member of the American Academy of Actuaries; and

(h) To direct the State Treasurer to transfer funds, as an expense of the retirement systems, to the Legislative Council Retirement Study Fund. Such transfer shall occur beginning on or after July 31, 1992, and at intervals of not less than ten years and not more than fifteen years and shall be in such amounts as the Legislature shall direct, except that up to seventy-five thousand dollars may be transferred in FY1993-94 to assist in completing the study authorized in Legislative Resolution 328, Ninety-second Legislature, Second Session, 1992; and

(i) To adopt and promulgate rules and regulations for the adjustment of contributions or benefits, which shall include, but not be limited to: (i) The procedures for refunding contributions, adjusting future contributions or benefit payments, and requiring additional contributions or repayment of benefits; (ii) the process for a member, member's beneficiary, employee, or employer to dispute an adjustment to contributions or benefits; and (iii) notice provided to all affected persons. All notices shall be sent prior to an adjustment and shall describe the process for disputing an adjustment to contributions or benefits.

(3) The board and the Nebraska Investment Council shall jointly have an analysis made of the investment return that has been achieved on the assets of each retirement system administered by the board. The analysis shall be prepared annually as of January 1. 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 providing investment management services to the retirement system. The analysis may be waived jointly by the board and the council for any retirement system with assets of less than ten million dollars. A copy of the analysis shall be given to the board, the council, and the Nebraska Retirement Systems Committee.

Sec. 45. For a firefighter or firefighter-paramedic who is a member of a paid fire department of a municipality or a rural or suburban fire protection district in this state, including a municipality having a home rule charter, and who suffers death or disability as a result of cancer, including, but not limited to, cancer affecting the skin or the central nervous, lymphatic, digestive, hematological, urinary, skeletal, oral, or prostate systems, evidence which demonstrates that (1) such firefighter or firefighter-paramedic successfully passed a physical examination upon entry into such service or subsequent to such entry, which examination failed to reveal any evidence of cancer, (2) such firefighter or firefighter-paramedic was exposed to a known carcinogen, as defined on the effective date of this act by the International Agency for Research on Cancer, while in the service of the fire department, and (3) such carcinogen is reported by the agency to be a suspected or known cause of the type of cancer the firefighter or firefighter-paramedic has, shall be prima facie evidence that such death or disability resulted from injuries, accident, or other cause while in the line of duty for the purposes of sections 16-1020 to 16-1042, a firefighter's pension plan established pursuant to a home rule charter, and a firefighter's pension or disability plan established by a rural or suburban fire protection district.

Sec. 46. The Revisor of Statutes shall assign section 45 of this act within sections 16-1020 to 16-1042. The Revisor of Statutes shall assign sections 10 and 11 of this act within sections 24-701 to 24-714. The Revisor of Statutes shall assign sections 35 and 36 of this act within sections 81-2014 to 81-2036.

Sec. 47. Original sections 24-701, 24-706, 79-1501, 79-1513, 79-1514, 79-1514.01, 79-1520, 79-1523, 79-1529, 79-1533, 81-2031, 84-1301, 84-1317, and 84-1321, Reissue Revised Statutes of Nebraska, sections 23-2315 and 23-2319, Revised Statutes Supplement, 1994, sections 23-2301, 23-2306, 23-2331, 79-1043, 79-1501.01, 81-2014, 81-2016, 84-1307, 84-1331, and 84-1503,

Revised Statutes Supplement, 1995, and sections 79-1514.05, 79-1522, and 79-1522.01, Reissue Revised Statutes of Nebraska, as amended by sections 559, 568, and 569, respectively, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996, are repealed.

Sec. 48. The following section is outright repealed: Section 79-1519, Reissue Revised Statutes of Nebraska, as amended by section 565, Legislative Bill 900, Ninety-fourth Legislature, Second Session, 1996.