

LEGISLATIVE BILL 493

Approved by the Governor April 8, 1987

Introduced by Pappas, 42

AN ACT relating to the Nebraska State Patrol; to amend section 81-2026, Revised Statutes Supplement, 1986; to provide for certain disability benefits as prescribed; and to repeal the original section.

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

Section 1. That section 81-2026, Revised Statutes Supplement, 1986, be amended to read as follows:

81-2026. (1) Any officer qualified for an annuity, as provided in section 81-2025 for reasons other than disability, shall be entitled to receive a monthly annuity for the remainder of the officer's life. The amount of the annuity shall be a percentage of the officer's final average monthly salary. For retirement on or after the fifty-fifth birthday of the member, the percentage shall be two and one half per cent multiplied by the number of years of service, as calculated in section 81-2033, except that the percentage shall never be greater than seventy-five per cent. For retirement on or after the fiftieth birthday of the member, but prior to the fifty-fifth birthday of the member, the annuity which would apply if the member were age fifty-five at the date of retirement shall be reduced by five-ninths of one per cent for each month by which the early retirement date precedes age fifty-five. Any officer who has completed thirty years of service with the Nebraska State Patrol shall have retirement benefits computed as if the officer had reached the age of fifty-five. For purposes of this computation, final average monthly salary is defined to be the sum of the officer's total salary during the final three years of service as an officer divided by thirty-six.

(2) Any officer qualified for an annuity, as provided in section 81-2025 for reasons of disability, shall be entitled to receive a monthly annuity for the remainder of the period of disablement, as provided in sections 81-2028 to 81-2030. The amount of the annuity shall be fifty per cent of the officer's monthly salary at the date of disablement. Upon retirement for disability, the amount of the annuity shall be fifty per

cent of the officer's monthly salary on the date of retirement, which shall be the date on which the benefits, as provided in section 81-2028, have been exhausted.

(3) Upon the death of an officer after retirement for reasons other than disability, the officer's surviving spouse, if married to the officer prior to the last four years of service of such officer prior to retirement, shall continue to receive fifty per cent of the amount of such officer's annuity for the remainder of the surviving spouse's life or until the surviving spouse remarries. If the surviving spouse has a dependent child or children under age nineteen in his or her care, the benefit shall be seventy-five per cent of the amount of such officer's annuity until such time as the youngest such dependent child attains the age of nineteen years after which time the benefit is reduced to fifty per cent of the amount of such an officer's annuity. If there is no surviving spouse living at the date of the officer's death, the officer's child or children, if any, shall continue to receive fifty per cent of the amount of such officer's annuity until such time as the youngest such child attains the age of nineteen years. If there should be more than one such child under the age of nineteen years at such time, the amount thereof shall be divided equally among such children under such age and, as they attain the age of nineteen years, only the other child or children under such age shall participate therein. Upon the death of an officer after retirement for reasons of disability, benefits shall be provided as if the officer had retired for reasons other than disability, except that it shall not be required that the surviving spouse have been married to him or her for the last four years in order to qualify for such benefits. Upon the death of an officer before retirement, benefits shall be provided as if the officer had retired for reasons of disability on the date of such officer's death as follows: (a) To the surviving spouse and dependent child or children under age nineteen in such spouse's care, the benefit shall be one hundred per cent of the amount of such officer's annuity until such time as the youngest dependent child attains the age of nineteen years after which time the benefit shall be reduced to seventy-five per cent of the officer's annuity for the remainder of his or her life or until he or she remarries; (b) if there is no spouse living at the date of the officer's death, his or her child or children, if any, shall continue to receive seventy-five per cent of the amount of such officer's

annuity until such time as the youngest child attains the age of nineteen years; (c) if there should be more than one child under the age of nineteen years at the date of the officer's death, the benefit shall be divided equally among such children and, as they attain the age of nineteen years, only the child or children under the age of nineteen shall participate therein; and (d) if there is no child or children under age nineteen living at the date of the officer's death, the surviving spouse shall receive seventy-five per cent of the amount of such officer's annuity for the remainder of his or her life or until he or she remarries. If no benefits are paid to a surviving spouse or dependent children, benefits will be paid as described in subsection (1) of section 81-2031.

(4) Any benefits provided in subsections (1), (2), and (3) of this section shall apply only to retirements, disabilities, and deaths occurring on or after September 2, 1977. No benefits being paid under the system on September 2, 1977, shall be modified, in any way, by the enactment of this act Laws 1977, LB 347.

(5) Notwithstanding anything to the contrary in Chapter 81, article 20, the annual benefit payable under such article shall not at any time exceed the lesser of (a) ninety thousand dollars, as adjusted for cost-of-living adjustments announced by the Internal Revenue Service for each calendar year in which the adjustment is announced, actuarially reduced to reflect distributions prior to age sixty-two, or (b) one hundred per cent of the member's average annual compensation for the three consecutive calendar years of service during which the member received his or her highest compensation and was an active member in the retirement system provided by Chapter 81, article 20. The maximum amount shall be adjusted, when necessary, as follows:

(i) When the annual benefit is payable under this system to a member in a form other than a straight life annuity or the joint and survivor annuity described by subsections (1) and (3) of this section the maximum amount shall be adjusted to the equivalent of a straight life annuity beginning at the same age on the basis of actuarial assumptions recommended by the actuary, approved by the board, and kept on file with the board;

(ii) when the annual benefit is payable under this system to a member who has less than ten years of service under the system, the maximum amount shall be multiplied by a fraction, the numerator of which is the member's number of years of service under the system, and the denominator of which is ten.

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Sec. 2. That original section 81-2026,
Revised Statutes Supplement, 1986, is repealed.