

LEGISLATIVE BILL 32

Approved by the Governor May 9, 1975

Introduced by Nebraska Retirement Systems Committee,
Hasebroock, 18, Chmn.; Stull, 49; Luedtke, 28;
F. Lewis, 45; Goodrich, 20

AN ACT to amend section 23-2306, Reissue Revised Statutes of Nebraska, 1943, section 23-2318, Revised Statutes Supplement, 1974, and section 23-2319, Reissue Revised Statutes of Nebraska, 1943, as amended by section 4, Legislative Bill 47, Eighty-fourth Legislature, First Session, 1975, relating to the County Employees Retirement Act; to reduce the period of employment required for membership; to clarify provisions for prior service benefits; to provide an option for terminating members; to provide an operative date; and to repeal the original sections, and also section 1, Legislative Bill 56, Eighty-fourth Legislature, First Session, 1975.

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

Section 1. That section 23-2306, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

23-2306. The membership of the retirement system shall be composed of all employees who have been employees for a period of ~~thirty-six~~ twelve continuous months and who have attained the age of twenty-five, except that elected officials shall be eligible for membership on taking office.

Sec. 2. That section 23-2318, Revised Statutes Supplement, 1974, be amended to read as follows:

23-2318. The prior service retirement benefit shall be a straight life annuity, payable monthly with the first payment made as of the retirement date, in an amount determined in accordance with section 23-2311, except that if the monthly payment would be less than ten dollars, payments shall be made annually in advance with each annual payment equal to 11.54 multiplied by the monthly payment that would have been made in the absence of this restriction on small monthly payments, and no prior service retirement benefit shall be paid to any person who terminates his employment ~~before---his sixty-fifth-birthday~~ unless such person shall have been continuously employed by the county for ten or more years

immediately prior to termination. An employee meeting such requirement and who terminates his or her employment ~~before age sixty-five~~ shall not receive a prior service benefit determined in accordance with section 23-2311 upon prior to attaining age sixty-five.

Prior service retirement benefits shall be paid directly by the county to the retired employee.

Sec. 3. That section 23-2319, Reissue Revised Statutes of Nebraska, 1943, as amended by section 4, Legislative Bill 47, Eighty-fourth Legislature, First Session, 1975, be amended to read as follows:

23-2319. Any member of the retirement system who ceases to be an employee before his sixtieth birthday may, upon application, receive from the carrier a termination benefit equal to the amount of his employee account. If the terminating member does not make application to withdraw the amount in his employee account, he shall be granted, in lieu thereof, a paid-up deferred annuity under which the first annuity payment shall be made as of the first of the month immediately following his sixty-fifth birthday. At the option of the terminating member, such annuity may commence as of the first of the month at any time after such member attains the age of sixty and before his sixty-fifth birthday. Such election by the terminating member may be made at any time prior to the commencement of the annuity payments. Such paid-up deferred annuity shall be the actuarial equivalent, as determined by the group annuity contract, of the employee account together with a certain percentage of the employer account. If the terminating member has been a member of the system for less than five years, such percentage shall be nil; if the terminating member has been a member of the system for at least five years, such percentage shall be twice the number of completed months, not counting the first sixty, that the terminating member has been a member of the system, but in no event shall such percentage exceed one hundred. Such percentage shall be one hundred for any disability retirement under the provisions of section 23-2315.

If the terminating member shall not be credited with one hundred per cent of his employer account, the remainder shall be paid by the carrier to the county by whom the terminating member was employed.

Sec. 4. This act shall become operative on January 1, 1976.

Sec. 5. That original section 23-2306, Reissue Revised Statutes of Nebraska, 1943, section 23-2318,

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Revised Statutes Supplement, 1974, and section 23-2319, Reissue Revised Statutes of Nebraska, 1943, as amended by section 4, Legislative Bill 47, Eighty-fourth Legislature, First Session, 1975, and also section 1, Legislative Bill 56, Eighty-fourth Legislature, First Session, 1975, are repealed.