

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 184

Introduced by Brewer, 43.

Read first time January 08, 2021

Committee: Nebraska Retirement Systems

1 A BILL FOR AN ACT relating to retirement; to amend section 84-1601,
2 Reissue Revised Statutes of Nebraska, and sections 81-2025 and
3 81-2032, Revised Statutes Cumulative Supplement, 2020; to provide
4 for a premium deduction for certain retired Nebraska State Patrol
5 employees as prescribed; and to repeal the original sections.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 81-2025, Revised Statutes Cumulative Supplement,
2 2020, is amended to read:

3 81-2025 (1) Every officer who has been in the employ of the state as
4 such and who becomes disabled and physically unfit to perform the duties
5 of an officer shall be entitled to retire and receive an annuity as
6 provided by law.

7 (2) Every officer who has been in the employ of the state as such
8 for ten years or more, as calculated in section 81-2033, and has attained
9 the age of fifty years or more shall be entitled to retire and receive an
10 annuity as provided by law. The right to retire at the age of fifty years
11 shall be at the option of the officer but such retirement shall be
12 mandatory upon the officer attaining the age of sixty years.

13 (3) Any officer who has attained the age of sixty years upon his or
14 her separation from state service but who has not been in the employ of
15 the state for ten years as such shall be entitled to the annuity as
16 provided for in the Nebraska State Patrol Retirement Act.

17 (4) Every officer who has been in the employ of the state as such
18 for twenty-five years or more, as calculated in section 81-2033, and has
19 attained the age of fifty years shall be entitled to retire and receive
20 an annuity as provided by law. The right to retire at the age of fifty
21 years with twenty-five years or more of creditable service shall be at
22 the option of the officer but such retirement shall be mandatory upon the
23 officer attaining the age of sixty years.

24 (5) Every officer who has been in the employ of the state as such
25 for thirty years or more, as calculated in section 81-2033, shall be
26 entitled to retire and receive an annuity as provided by law. The right
27 to retire with thirty years or more of creditable service shall be at the
28 option of the officer but such retirement shall be mandatory upon the
29 officer attaining the age of sixty years.

30 (6) Payment of any benefit provided under the act shall not be
31 deferred later than the required beginning date.

1 (7) The effective date of retirement payments shall be the first day
2 of the month following (a) the date a member qualifies for retirement as
3 provided in this section or (b) the date upon which a member's request
4 for retirement is received on an application form provided by the system,
5 whichever is later. An application may be filed no more than one hundred
6 twenty days in advance of qualifying for retirement.

7 (8) The board shall make reasonable efforts to locate the officer or
8 the officer's beneficiary and distribute benefits by the required
9 beginning date. If the board is unable to make such a distribution, the
10 account shall be distributed pursuant to the Uniform Disposition of
11 Unclaimed Property Act and no amounts may be applied to increase the
12 benefits any officer would otherwise receive under the Nebraska State
13 Patrol Retirement Act.

14 (9) Pursuant to 26 U.S.C. 402(l), employees who separate from
15 service by reason of disability or by attainment of the normal retirement
16 age may elect under subsection (4) of section 84-1601 to deduct insurance
17 premium costs, including the state's share, the employee's share, and the
18 administrative fee, from the employee's retirement annuity provided for
19 by the Nebraska State Patrol Retirement Act.

20 Sec. 2. Section 81-2032, Revised Statutes Cumulative Supplement,
21 2020, is amended to read:

22 81-2032 (1) All annuities or benefits which any person shall be
23 entitled to receive under the Nebraska State Patrol Retirement Act shall
24 not be subject to garnishment, attachment, levy, the operation of
25 bankruptcy or insolvency laws, or any other process of law whatsoever and
26 shall not be assignable except to the extent that such annuities or
27 benefits are subject to a qualified domestic relations order under the
28 Spousal Pension Rights Act.

29 (2) Pursuant to 26 U.S.C. 402(l), insurance premium costs, including
30 the state's share, the employee's share, and the administrative fee, may
31 be deducted from the annuity or benefit after an election is made under

1 subsection (4) of section 84-1601.

2 Sec. 3. Section 84-1601, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 84-1601 (1) There is hereby established a program of group life and
5 health insurance for all permanent employees of this state who work one-
6 half or more of the regularly scheduled hours during each pay period,
7 excluding employees of the University of Nebraska, the state colleges,
8 and the community colleges. Such program shall be known as the Nebraska
9 State Insurance Program and shall replace any current program of such
10 insurance in effect in any agency and funded in whole or in part by state
11 contributions.

12 (2) Temporary employees of the state who have a work assignment of
13 at least six months' duration and who work at least twenty hours per week
14 may purchase health insurance through the Nebraska State Insurance
15 Program. The state shall pay the same proportion of the insurance premium
16 for temporary employees as is established through the collective
17 bargaining process for permanent employees. For purposes of this
18 subsection, temporary employees means individuals (a) employed in the
19 Temporary Employee Pool as described in subdivision (6) of section
20 81-1307 and (b) hired directly by state agencies. In no event shall a
21 temporary employee mean an individual hired through a private employment
22 agency.

23 (3) For purposes of sections 84-1601 to 84-1615, health insurance
24 may be construed to include coverage for disability and dental health
25 care services.

26 (4) Any commissioned employee of the Nebraska State Patrol who on or
27 after July 17, 1986, has reached fifty-one years of age or becomes
28 medically disabled and who will not receive benefits from the federal
29 social security program shall be afforded the opportunity to remain
30 enrolled in the state employees group health insurance program until age
31 sixty-five. Employees electing this option shall be responsible for the

1 entire premium cost, including the state's share, the employee's share,
2 and an administrative fee consistent with that allowed by federal
3 guidelines for continuation of health insurance. Pursuant to 26 U.S.C.
4 402(1), as such section existed on January 1, 2021, employees who
5 separate from service by reason of disability or by attainment of the
6 normal retirement age may further elect to deduct insurance premium
7 costs, including the state's share, the employee's share, and the
8 administrative fee, from the employee's retirement annuity provided for
9 by the Nebraska State Patrol Retirement Act.

10 Sec. 4. Original section 84-1601, Reissue Revised Statutes of
11 Nebraska, and sections 81-2025 and 81-2032, Revised Statutes Cumulative
12 Supplement, 2020, are repealed.