

LEGISLATIVE BILL 128

Approved by the Governor March 16, 1981

Introduced by Rumery, 42

AN ACT to amend section 79-1528, Reissue Revised Statutes of Nebraska, 1943, relating to schools; to change provisions relating to retirement system payments; and to repeal the original section.

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

Section 1. That section 79-1528, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1528. (1) Should a member die before retirement, his or her accumulated contributions shall be paid to his or her estate or to such person as he or she shall have nominated by written designation duly executed and filed with the retirement board. If no legal representatives or beneficiary designated in writing shall apply for his or her accumulated contributions within five years following (a) his or her sixty-fifth birthday if death occurred prior to such date, or (b) the date of his or her death if death occurred after his or her sixty-fifth birthday, they shall be forfeited to the retirement system and credited to the Contingent Fund at that time.

(2) When the deceased member had attained the age of at least fifty-five years with not less than twenty years of creditable service, or had not less than thirty years of creditable service regardless of age, and leaves a surviving spouse who has been designated in writing as beneficiary and who, as of the date of the member's death, is the sole surviving primary beneficiary, there such beneficiary may elect, within sixty days after the death of the member, to receive the member's accumulated contributions in one lump sum. If no election is made, there shall be paid to such surviving spouse a monthly annuity for life. The amount of such annuity shall be equal to the amount of the annuity which would have been paid had the deceased member retired on the date of death and elected to have his or her retirement annuity paid as a joint and survivor annuity payable as long as either the member or the member's spouse should survive. If the surviving spouse is not the sole surviving primary beneficiary as of the date of the member's death, the member's accumulated contributions shall be paid to his or her surviving primary beneficiary or beneficiaries as of such date or, in the absence of any surviving

designated beneficiary, to his or her estate.

Sec. 2. That original section 79-1523, Reissue Revised Statutes of Nebraska, 1943, is repealed.