

AMENDMENTS TO LB 75

(Amendments to AM2141)

1           1.     Strike section 3 and insert the following new  
2 section:

3           "Sec. 3.   For purposes of the Legislative Employees  
4 Supplemental Retirement Plan Act:

5           (1) Any term defined in the State Employees Retirement  
6 Act and used in the Legislative Employees Supplemental Retirement  
7 Plan Act has the same meaning in the Legislative Employees  
8 Supplemental Retirement Plan Act unless the context requires a  
9 different meaning;

10          (2) Actuarial equivalent means the equality in value of  
11 the aggregate amounts expected to be received under different forms  
12 of payment or to be received at an earlier retirement age than the  
13 normal retirement age. The determinations shall be based on the  
14 1994 Group Annuity Mortality Table reflecting sex-distinct factors  
15 blended using twenty-five percent of the male table and  
16 seventy-five percent of the female table. An interest rate of  
17 seven percent per annum shall be reflected in making these  
18 determinations;

19          (3)(a) Compensation means gross wages or salaries payable  
20 to the member for personal services performed during the plan year.  
21 Compensation does not include insurance premiums converted into  
22 cash payments, reimbursement for expenses incurred, fringe  
23 benefits, or bonuses for services not actually rendered, including,

1 but not limited to, early retirement inducements, cash awards, and  
2 severance pay, except for retroactive salary payments paid pursuant  
3 to court order, arbitration, or litigation and grievance  
4 settlements. Compensation includes overtime pay, member retirement  
5 contributions, and amounts contributed by the member to plans under  
6 sections 125, 403(b), and 457 of the Internal Revenue Code or any  
7 other section of the code which defers or excludes such amounts  
8 from income.

9 (b) Compensation in excess of the limitations set forth  
10 in section 401(a)(17) of the Internal Revenue Code shall be  
11 disregarded. For an employee who was a member of the retirement  
12 system before the first plan year beginning after December 31,  
13 1995, the limitation on compensation shall not be less than the  
14 amount which was allowed to be taken into account under the  
15 retirement system as in effect on July 1, 1993;

16 (4) Creditable service means all years of service as an  
17 employee of the Legislature. Service means employment as an  
18 employee of the Legislature and shall not be deemed interrupted by  
19 (a) temporary or seasonal suspension of service that does not  
20 terminate the employee's employment, (b) leave of absence  
21 authorized by the employer for a period not exceeding twelve  
22 months, (c) leave of absence because of disability, or (d) military  
23 service when properly authorized by the retirement board. Service  
24 does not include any period of disability for which disability  
25 retirement benefits are received;

26 (5) Date of disability means the date on which a member  
27 is determined to be disabled by the retirement board;

1           (6) Disability means an inability to engage in a  
2 substantially gainful activity by reason of any medically  
3 determinable physical or mental impairment which can be expected to  
4 result in death or to be of long-continued and indefinite duration;

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

9           (8) Employee of the Legislature means any employee of the  
10 Legislature who is employed on other than a temporary basis and on  
11 at least a half-time basis;

12           (9)(a) Final average compensation means (i) for full-time  
13 employees, the member's total compensation subject to required  
14 deposits for the three fiscal years in which such compensation was  
15 the highest divided by thirty-six and (ii) for part-time employees,  
16 the member's total adjusted compensation subject to required  
17 deposits for the three fiscal years in which such adjusted  
18 compensation was the highest divided by thirty-six.

19           (b) If a member has such compensation for less than three  
20 such fiscal years, his or her final average compensation shall be  
21 determined by dividing his or her total compensation in all such  
22 years by the total number of months of his or her creditable  
23 service therefor. Adjusted compensation for any year shall be  
24 equal to actual pay times the ratio of one to the actual credited  
25 service for such year;

26           (10) Five-year break in service means five consecutive  
27 one-year breaks in service;

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

4                   (12) Fund means the Legislative Employees Supplemental  
5 Retirement Fund;

6                   (13) One-year break in service means a plan year during  
7 which the member has not completed more than five hundred hours of  
8 service;

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

12                   (15) Plan year means the twelve-month period beginning on  
13 January 1 and ending on December 31;

14                   (16) Prior service means service before January 1, 1964;

15                   (17) Regular interest means the rate of interest earned  
16 each calendar year commencing January 1, 1975, as determined by the  
17 retirement board in conformity with actual and expected earnings on  
18 the investments;

19                   (18) Required contribution means the deduction to be made  
20 from the compensation of employees as provided in section 10 of  
21 this act;

22                   (19) Retirement means qualifying for and terminating  
23 employment after becoming qualified to receive the retirement  
24 allowance granted under the Legislative Employees Supplement  
25 Retirement Plan Act;

26                   (20) Retirement board means the Public Employees  
27 Retirement Board;

1                   (21) Retirement plan means the Legislative Employees  
2 Supplemental Retirement Plan;

3                   (22) Surviving spouse means (a) the spouse married to the  
4 member on the date of the member's death or (b) the spouse or  
5 former spouse of the member if survivorship rights are provided  
6 under a qualified domestic relations order filed with the board  
7 pursuant to the Spousal Pension Rights Act. The spouse or former  
8 spouse shall supersede the spouse married to the member on the date  
9 of the member's death as provided under a qualified domestic  
10 relations order. If the benefits payable to the spouse or former  
11 spouse under a qualified domestic relations order are less than the  
12 value of benefits entitled to the surviving spouse, the spouse  
13 married to the member on the date of the member's death shall be  
14 the surviving spouse for the balance of the benefits; and

15                   (23) Termination of employment occurs on the date on  
16 which the agency which employs the member determines that the  
17 member's employer-employee relationship with the State of Nebraska  
18 is dissolved. The agency which employs the member shall notify the  
19 board within two weeks after the date such a termination is deemed  
20 to have occurred. Termination of employment does not occur if an  
21 employee whose employer-employee relationship with the State of  
22 Nebraska is dissolved enters into an employer-employee relationship  
23 with the same or another agency of the State of Nebraska and there  
24 are less than one hundred twenty days between the date when the  
25 employee's employer-employee relationship ceased with the state and  
26 the date when the employer-employee relationship commenced with the  
27 same or another agency which qualifies the employee for

AM2165  
LB 75  
DSH-05-23

AM2165  
LB 75  
DSH-05-23

1 participation in the plan. It shall be the responsibility of the  
2 current employer to notify the retirement board of such change in  
3 employment and provide the retirement board with such information  
4 as the retirement board deems necessary. If the retirement board  
5 determines that termination of employment has not occurred and a  
6 termination benefit has been paid to a member of the retirement  
7 system, the retirement board shall require the member who has  
8 received such benefit to repay the benefit to the retirement  
9 system."

10           2. On page 8, strike beginning with "average" in line 8  
11 through "service" in line 10 and insert "final average  
12 compensation".

13           3. On page 9, strike beginning with "average" in line 9  
14 through "service" in line 11 and insert "final average  
15 compensation"; and in line 14 strike "average calculated monthly  
16 compensation" and insert "final average compensation".