

AMENDMENTS TO LB 109

1           1. Insert the following new sections:

2           "Section 1. Section 24-703, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           24-703. (1) Each original member shall contribute  
5 monthly four percent of his or her monthly compensation to the fund  
6 until the maximum benefit as limited in subsection (1) of section  
7 24-710 has been earned. It shall be the duty of the Director of  
8 Administrative Services in accordance with subsection ~~(10)~~ (11) of  
9 this section to make a deduction of four percent on the monthly  
10 payroll of each original member who is a judge of the Supreme  
11 Court, a judge of the Court of Appeals, a judge of the district  
12 court, a judge of a separate juvenile court, a judge of the county  
13 court, a clerk magistrate of the county court who was an associate  
14 county judge and a member of the fund at the time of his or her  
15 appointment as a clerk magistrate, or a judge of the Nebraska  
16 Workers' Compensation Court showing the amount to be deducted and  
17 its credit to the fund. The Director of Administrative Services  
18 and the State Treasurer shall credit the four percent as shown on  
19 the payroll and the amounts received from the various counties to  
20 the fund and remit the same to the director in charge of the judges  
21 retirement system who shall keep an accurate record of the  
22 contributions of each judge.

23           (2) Each future member shall contribute monthly six  
24 percent of his or her monthly compensation to the fund until the

AM0856  
LB 109  
LSN-03-06

AM0856  
LB 109  
LSN-03-06

1 maximum benefit as limited in subsection (2) of section 24-710 has  
2 been earned. Any time the maximum benefit is changed, a future  
3 member who has previously earned the maximum benefit as it existed  
4 prior to the change shall contribute monthly six percent of his or  
5 her monthly compensation to the fund until the maximum benefit as  
6 changed and as limited in subsection (2) of section 24-710 has been  
7 earned. It shall be the duty of the Director of Administrative  
8 Services to make a deduction of six percent on the monthly payroll  
9 of each such future member who is a judge of the Supreme Court, a  
10 judge of the Court of Appeals, a judge of the district court, a  
11 judge of a separate juvenile court, a judge of the county court, a  
12 clerk magistrate of the county court who was an associate county  
13 judge and a member of the fund at the time of his or her  
14 appointment as a clerk magistrate, or a judge of the Nebraska  
15 Workers' Compensation Court showing the amount to be deducted and  
16 its credit to the fund. This shall be done each month. The  
17 Director of Administrative Services and the State Treasurer shall  
18 credit the six percent as shown on the payroll and the amounts  
19 received from the various counties to the fund and remit the same  
20 to the director in charge of the judges retirement system who shall  
21 keep an accurate record of the contributions of each judge.

22 (3) A Nebraska Retirement Fund for Judges fee of one  
23 dollar shall be taxed as costs in each civil cause of action,  
24 criminal cause of action, traffic misdemeanor or infraction, and  
25 city or village ordinance violation filed in the district courts  
26 and the county courts. In county courts a sum shall be charged  
27 which is equal to ten percent of each fee provided by sections

AM0856  
LB 109  
LSN-03-06

AM0856  
LB 109  
LSN-03-06

1 33-125, 33-126.02, 33-126.03, and 33-126.06. No judges retirement  
2 fee shall be charged for filing a report pursuant to sections  
3 33-126.02 and 33-126.06. When collected by the clerk of the  
4 district or county court, such fees shall be paid to the director  
5 in charge of the judges retirement system on forms prescribed by  
6 the board by the clerk within ten days after the close of each  
7 calendar quarter. Such director shall promptly thereafter remit  
8 the same to the State Treasurer for credit to the fund. No  
9 Nebraska Retirement Fund for Judges fee which is uncollectible for  
10 any reason shall be waived by a county judge as provided in section  
11 29-2709.

12 (4) All expenditures from the fund shall be authorized by  
13 voucher in the manner prescribed in section 24-713. The fund shall  
14 be used for the payment of all annuities and other benefits and for  
15 the expenses of administration.

16 (5) The fund shall consist of the total fund as of  
17 December 25, 1969, the contributions of members as provided in this  
18 section, all supplementary court fees as provided in subsection (3)  
19 of this section, and any required contributions of the state.

20 (6) Not later than January 1 of each year, the State  
21 Treasurer shall transfer to the fund the amount certified by the  
22 board as being necessary to pay the cost of any benefits accrued  
23 during the fiscal year ending the previous June 30 in excess of  
24 member contributions for that fiscal year and court fees as  
25 provided in subsection (3) of this section, if any, for that fiscal  
26 year plus any required contributions of the state as provided in  
27 subsection (9) of this section.

1                   (7) Benefits under the retirement system to members or to  
2 their beneficiaries shall be paid from the fund.

3                   (8) Any member who is making contributions to the fund on  
4 December 25, 1969, may, on or before June 30, 1970, elect to become  
5 a future member by delivering written notice of such election to  
6 the board.

7                   (9) Not later than January 1 of each year, the State  
8 Treasurer shall transfer to the fund an amount, determined on the  
9 basis of an actuarial valuation as of the previous June 30 and  
10 certified by the board, to fully fund the unfunded accrued  
11 liabilities of the retirement system as of June 30, 1988, by level  
12 payments up to January 1, 2000. Such valuation shall be on the  
13 basis of actuarial assumptions recommended by the actuary, approved  
14 by the board, and kept on file with the board. Any change in the  
15 unfunded accrued liabilities due to benefit or assumption changes  
16 shall be fully funded over the average expected future service of  
17 the active members of the retirement system or by the first day of  
18 the twenty-sixth calendar year after the date of the actuarial  
19 valuation which first recognized these changes, whichever occurs  
20 first. The change in the unfunded accrued liabilities shall be  
21 funded by level annual payments which shall be made over the lesser  
22 of twenty-five years or the average expected future service of the  
23 active members of the retirement system. If the unfunded accrued  
24 liability for the retirement system, determined under the entry age  
25 actuarial cost method, is zero or less than zero on any actuarial  
26 valuation date, then all prior unfunded accrued liability amounts  
27 shall be considered fully funded. Effective July 1, 1988,

AM0856  
LB 109  
LSN-03-06

AM0856  
LB 109  
LSN-03-06

1 actuarial gains and losses shall be amortized over the expected  
2 future service of the active members as part of the annual normal  
3 cost.

4           (10) On July 1, 2001, and each fiscal year thereafter,  
5 \$200,000 shall be appropriated from the General Fund to the  
6 Nebraska Retirement Fund for Judges. On July 1, 2002, and each  
7 fiscal year thereafter, the Public Employees Retirement Board shall  
8 determine whether member contributions pursuant to subsection (2)  
9 of this section for the previous fiscal year have exceeded the  
10 total of the amount remitted pursuant to subsection (3) of this  
11 section plus the appropriation provided in this subsection for the  
12 same time period. If member contributions have not exceeded the  
13 total of the amount remitted pursuant to subsection (3) of this  
14 section plus the appropriation provided in this subsection, the  
15 board shall remit the difference to the State Treasurer for credit  
16 to the General Fund. If member contributions have exceeded the  
17 total of the amount remitted pursuant to subsection (3) of this  
18 section plus the appropriation provided in this subsection, the  
19 board shall request from the Appropriations Committee of the  
20 Legislature in the following legislative session an amount to be  
21 appropriated from the General Fund to the Nebraska Retirement Fund  
22 for Judges. The request shall be an amount which, when added to  
23 the amount remitted pursuant to subsection (3) of this section plus  
24 the appropriation pursuant to this subsection, equals the amount  
25 remitted pursuant to subsection (2) of this section for the  
26 previous fiscal year.

27           (11) The state or county shall pick up the member

AM0856  
LB 109  
LSN-03-06

AM0856  
LB 109  
LSN-03-06

1 contributions required by this section for all compensation paid on  
2 or after January 1, 1985, and the contributions so picked up shall  
3 be treated as employer contributions in determining federal tax  
4 treatment under the Internal Revenue Code, except that the state or  
5 county shall continue to withhold federal income taxes based upon  
6 these contributions until the Internal Revenue Service or the  
7 federal courts rule that, pursuant to section 414(h) of the code,  
8 these contributions shall not be included as gross income of the  
9 member until such time as they are distributed or made available.  
10 The state or county shall pay these member contributions from the  
11 same source of funds which is used in paying earnings to the  
12 member. The state or county shall pick up these contributions by a  
13 compensation deduction either through a reduction in the  
14 compensation of the member or a combination of a reduction in  
15 compensation and offset against a future compensation increase.  
16 Member contributions picked up shall be treated for all purposes of  
17 ~~sections 24-701 to 24-714~~ the Judges Retirement Act in the same  
18 manner and to the extent as member contributions made prior to the  
19 date picked up.

20           Sec. 4. Since an emergency exists, this act takes effect  
21 when passed and approved according to law."

22           2. On page 3, line 13, after "section" insert "24-703,  
23 Reissue Revised Statutes of Nebraska, and section"; and in line 14  
24 strike "is" and insert "are".

25           3. Renumber the remaining sections accordingly.