

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 700**

Introduced by Kolterman, 24.

Read first time January 05, 2022

Committee: Nebraska Retirement Systems

1 A BILL FOR AN ACT relating to retirement; to amend sections 23-2317.01,  
2 84-1319.01, and 84-1511, Reissue Revised Statutes of Nebraska,  
3 sections 23-2309.01, 23-2310.05, 72-1243, 79-921, 84-1310.01,  
4 84-1311.03, and 84-1322, Revised Statutes Cumulative Supplement,  
5 2020, and sections 79-9,117 and 84-1503, Revised Statutes  
6 Supplement, 2021; to eliminate obsolete provisions relating to  
7 investment options under certain acts, the state investment officer,  
8 and the Public Employees Retirement Board; to change provisions  
9 relating to certain funds; to eliminate provisions relating to  
10 termination of employment and early retirement inducement  
11 notification; to change provisions relating to preretirement  
12 planning and repayment of a distribution after reemployment; to  
13 change duties of and provide duties for the Public Employees  
14 Retirement Board; to provide a deadline for a certain compliance  
15 audit; to define terms; to provide for retirement training sessions;  
16 to eliminate a retirement education and financial planning program;  
17 to harmonize provisions; to repeal the original sections; to  
18 outright repeal section 84-1511.01, Reissue Revised Statutes of  
19 Nebraska; and to declare an emergency.  
20 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 23-2309.01, Revised Statutes Cumulative  
2 Supplement, 2020, is amended to read:

3 23-2309.01 (1)(a) ~~(1)~~ Each member employed and participating in the  
4 retirement system prior to January 1, 2003, who has elected not to  
5 participate in the cash balance benefit, shall be allowed to allocate all  
6 contributions to the member's ~~his or her~~ employee account to various  
7 investment options. The investment options shall include, but not be  
8 limited to, the following:

9 ~~(a) Prior to January 1, 2021, the investment options shall include,~~  
10 ~~but not be limited to, the following:~~

11 ~~(i) An investor select account which shall be invested under the~~  
12 ~~direction of the state investment officer with an asset allocation and~~  
13 ~~investment strategy substantially similar to the investment allocations~~  
14 ~~made by the state investment officer for the defined benefit plans under~~  
15 ~~the retirement systems described in subdivision (1)(a) of section~~  
16 ~~84-1503. Investments shall most likely include domestic and international~~  
17 ~~equities, fixed income investments, and real estate, as well as~~  
18 ~~potentially additional asset classes;~~

19 ~~(ii) A stable return account which shall be invested by or under the~~  
20 ~~direction of the state investment officer in a stable value strategy that~~  
21 ~~provides capital preservation and consistent, steady returns;~~

22 ~~(iii) An equities account which shall be invested by or under the~~  
23 ~~direction of the state investment officer in equities;~~

24 ~~(iv) A balanced account which shall be invested by or under the~~  
25 ~~direction of the state investment officer in equities and fixed income~~  
26 ~~instruments;~~

27 ~~(v) An index fund account which shall be invested by or under the~~  
28 ~~direction of the state investment officer in a portfolio of common stocks~~  
29 ~~designed to closely duplicate the total return of the Standard and Poor's~~  
30 ~~division of The McGraw-Hill Companies, Inc., 500 Index;~~

31 ~~(vi) A fixed income account which shall be invested by or under the~~

1 ~~direction of the state investment officer in fixed income instruments;~~

2 ~~(vii) A money market account which shall be invested by or under the~~  
3 ~~direction of the state investment officer in short-term fixed income~~  
4 ~~securities; and~~

5 ~~(viii) Beginning July 1, 2006, an age based account which shall be~~  
6 ~~invested under the direction of the state investment officer with an~~  
7 ~~asset allocation and investment strategy that changes based upon the age~~  
8 ~~of the member. The board shall develop an account mechanism that changes~~  
9 ~~the investments as the employee nears retirement age. The asset~~  
10 ~~allocation and asset classes utilized in the investments shall move from~~  
11 ~~aggressive, to moderate, and then to conservative as retirement age~~  
12 ~~approaches.~~

13 ~~If a member fails to select an option or combination of options~~  
14 ~~prior to January 1, 2021, all of his or her funds shall be placed in the~~  
15 ~~option described in subdivision (a)(ii) of this subsection. Each member~~  
16 ~~shall be given a detailed current description of each investment option~~  
17 ~~prior to making or revising his or her allocation.~~

18 ~~(b) On or after January 1, 2021, the investment options shall~~  
19 ~~include, but not be limited to, the following:~~

20 ~~(i) An investor select account which shall be invested under the~~  
21 ~~direction of the state investment officer with an asset allocation and~~  
22 ~~investment strategy substantially similar to the investment allocations~~  
23 ~~made by the state investment officer for the defined benefit plans under~~  
24 ~~the retirement systems described in subdivision (1)(a) of section~~  
25 ~~84-1503. Investments shall most likely include domestic and international~~  
26 ~~equities, fixed income investments, and real estate, as well as~~  
27 ~~potentially additional asset classes;~~

28 ~~(ii) A stable return account which shall be invested by or under the~~  
29 ~~direction of the state investment officer in a stable value strategy that~~  
30 ~~provides capital preservation and consistent, steady returns;~~

31 ~~(iii) An equities account which shall be invested by or under the~~

1 direction of the state investment officer in equities;

2 (iv) A fixed income account which shall be invested by or under the  
3 direction of the state investment officer in fixed income instruments;  
4 and

5 (v) A life-cycle fund which shall be invested under the direction of  
6 the state investment officer with an asset allocation and investment  
7 strategy that adjusts from a position of higher risk to one of lower risk  
8 as the member ages.

9 (b) If the member fails to select an option or combination of  
10 options pursuant to ~~this~~ subdivision (a) of this subsection ~~(b)~~, all of  
11 ~~the member's his or her~~ funds shall be placed in the option described in  
12 subdivision (a)(v) ~~(b)(v)~~ of this subsection. Each member shall be given  
13 a detailed current description of each investment option prior to making  
14 or revising ~~the member's his or her~~ allocation.

15 (2) Members of the retirement system may allocate their  
16 contributions to the investment options in percentage increments as set  
17 by the board in any proportion, including full allocation to any one  
18 option. A member under subdivision (1)(a) of section 23-2321 or ~~the~~  
19 ~~member's his or her~~ beneficiary may transfer any portion of ~~the member's~~  
20 ~~his or her~~ funds among the options, except for restrictions on transfers  
21 to or from the stable return account pursuant to rule or regulation. The  
22 board may adopt and promulgate rules and regulations for changes of a  
23 member's allocation of contributions to ~~the member's his or her~~ accounts  
24 after ~~the member's his or her~~ most recent allocation and for transfers  
25 from one investment account to another.

26 (3) The board shall develop a schedule for the allocation of  
27 administrative costs of maintaining the various investment options and  
28 shall assess the costs so that each member pays a reasonable fee as  
29 determined by the board.

30 (4) In order to carry out this section, the board may enter into  
31 administrative services agreements for accounting or record-keeping

1 services. No agreement shall be entered into unless the board determines  
2 that it will result in administrative economy and will be in the best  
3 interests of the county and its participating employees.

4 (5) The state, the board, the state investment officer, the members  
5 of the Nebraska Investment Council, or the county shall not be liable for  
6 any investment results resulting from the member's exercise of control  
7 over the assets in the employee account.

8 Sec. 2. Section 23-2310.05, Revised Statutes Cumulative Supplement,  
9 2020, is amended to read:

10 23-2310.05 (1) Each member employed and participating in the  
11 retirement system prior to January 1, 2003, who has elected not to  
12 participate in the cash balance benefit, shall be allowed to allocate all  
13 contributions to the member's ~~his or her~~ employer account to various  
14 investment options. Such investment options shall be the same as the  
15 investment options of the employee account as provided in subsection (1)  
16 of section 23-2309.01. If a member fails to select an option or  
17 combination of options, all of the member's ~~his or her~~ funds in the  
18 employer account shall be placed in the investment option described in  
19 subdivision (1)(a)(v) ~~or (1)(b)(v)~~ of section 23-2309.01, ~~whichever~~  
20 ~~option is applicable based on the date of contribution.~~ Each member shall  
21 be given a detailed current description of each investment option prior  
22 to making or revising the member's ~~his or her~~ allocation.

23 (2) Each member of the retirement system may allocate contributions  
24 to the member's ~~his or her~~ employer account to the investment options in  
25 percentage increments as set by the board in any proportion, including  
26 full allocation to any one option. A member under subdivision (1)(a) of  
27 section 23-2321 or the member's ~~his or her~~ beneficiary may transfer any  
28 portion of the member's ~~his or her~~ funds among the options. The board may  
29 adopt and promulgate rules and regulations for changes of a member's  
30 allocation of contributions to the member's ~~his or her~~ accounts after the  
31 member's ~~his or her~~ most recent allocation and for transfers from one

1 investment account to another.

2 (3) The board shall develop a schedule for the allocation of  
3 administrative costs of maintaining the various investment options and  
4 shall assess the costs so that each member pays a reasonable fee as  
5 determined by the board.

6 (4) In order to carry out the provisions of this section, the board  
7 may enter into administrative services agreements for accounting or  
8 record-keeping services. No agreement shall be entered into unless the  
9 board determines that it will result in administrative economy and will  
10 be in the best interests of the state and participating employees.

11 (5) The state, the board, the state investment officer, the members  
12 of the Nebraska Investment Council, or the county shall not be liable for  
13 any investment results resulting from the member's exercise of control  
14 over the assets in the employer account.

15 Sec. 3. Section 23-2317.01, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17 23-2317.01 ~~The~~ ~~There is hereby created~~ the County Equal Retirement  
18 Benefit Fund is created. The fund shall ~~to~~ be administered by the board.  
19 Each county participating in the retirement system on January 1, 1984,  
20 pursuant to the County Employees Retirement Act shall make a contribution  
21 at least once a year to the fund, in addition to any other retirement  
22 contributions. Such contribution shall be in an amount determined by the  
23 board to provide all similarly situated male and female members of the  
24 retirement system with equal benefits pursuant to subsection (2) of  
25 section 23-2317 and to provide for direct expenses incurred in  
26 administering the fund. The board shall keep a record of the  
27 contributions made by each county. Any money in the fund available for  
28 investment shall be invested by the state investment officer pursuant to  
29 the Nebraska Capital Expansion Act and the Nebraska State Funds  
30 Investment Act.

31 Sec. 4. Section 72-1243, Revised Statutes Cumulative Supplement,

1 2020, is amended to read:

2 72-1243 (1) Except as otherwise specifically provided by law, the  
3 state investment officer shall direct the investment and reinvestment of  
4 money in all state funds not currently needed and all funds described in  
5 section 83-133 and order the purchase, sale, or exchange of securities  
6 for such funds. He or she shall notify the State Treasurer of any  
7 payment, receipt, or delivery that may be required as a result of any  
8 investment decision, which notification shall be the authorization and  
9 direction for the State Treasurer to make such disbursement, receipt, or  
10 delivery from the appropriate fund.

11 (2) The council shall have an analysis made of the investment  
12 returns that have been achieved on the assets of each retirement system  
13 administered by the Public Employees Retirement Board as provided in  
14 section 84-1503 and, ~~beginning January 1, 2017,~~ on the assets of each  
15 retirement system provided for under the Class V School Employees  
16 Retirement Act. By March 31 of each year, the analysis shall be presented  
17 to the board and the Nebraska Retirement Systems Committee of the  
18 Legislature. The analysis shall be prepared by an independent  
19 organization which has demonstrated expertise to perform this type of  
20 analysis and for which there exists no conflict of interest in the  
21 analysis being provided. The analysis may be waived by the council for  
22 any retirement system with assets of less than one million dollars.

23 (3) ~~By March 31 of each year prior to 2020, and by April 10 of each~~  
24 ~~year beginning in 2020,~~ the council shall prepare a written plan of  
25 action and shall present such plan to the Nebraska Retirement Systems  
26 Committee of the Legislature at a public hearing. The plan shall include,  
27 but not be limited to, the council's investment portfolios, investment  
28 strategies, the duties and limitations of the state investment officer,  
29 and an organizational structure of the council's office.

30 Sec. 5. Section 79-921, Revised Statutes Cumulative Supplement,  
31 2020, is amended to read:

1           79-921 (1) The membership of any person in the retirement system  
2 shall cease only if he or she (a) withdraws his or her accumulated  
3 contributions under section 79-955, (b) retires on a school or formula or  
4 disability retirement allowance, or (c) dies.

5           (2)(a) The employer shall ~~(i)~~ notify the board in writing of the  
6 date upon which a termination of employment has occurred and provide the  
7 board with such information as the board deems necessary, ~~(ii) notify the~~  
8 ~~board in writing whether or not a member accepted and received an early~~  
9 ~~retirement inducement, and (iii) submit in writing with the notice of~~  
10 ~~termination of employment and notice of receipt of an early retirement~~  
11 ~~inducement a completed certification by the employer and member under~~  
12 ~~penalty of prosecution pursuant to section 79-949 that, prior to the~~  
13 ~~member's termination, there was no prearranged written or verbal~~  
14 ~~agreement for the member to return to service in any capacity with the~~  
15 ~~same employer.~~

16           ~~(b) The member shall submit certification to the board on a form~~  
17 ~~prescribed by the board, under penalty of prosecution pursuant to section~~  
18 ~~79-949, whether or not the member accepted and received an early~~  
19 ~~retirement inducement from his or her employer.~~

20           (b) ~~(c)~~ The board may adopt and promulgate rules and regulations and  
21 prescribe forms as the board determines appropriate in order to carry out  
22 this subsection and to ensure full disclosure and reporting by the  
23 employer and member in order to minimize fraud and abuse and prevent the  
24 filing of false or fraudulent claim or benefit applications.

25           (3)(a) A former member of the retirement system who has withdrawn  
26 his or her accumulated contributions under section 79-955 shall be  
27 reinstated to membership in the retirement system if such person again  
28 becomes a school employee.

29           (b) The date of such membership shall relate back to the beginning  
30 of his or her original membership in the retirement system only if such  
31 school employee has repaid all amounts required in accordance with

1 subsection (4) of this section. Unless and until all such amounts are  
2 repaid, the school employee shall be considered a new member, effective  
3 as of the date he or she again becomes a school employee.

4 (4)(a) With respect to any person who is reinstated to membership in  
5 the retirement system pursuant to subdivision (3)(a) of this section  
6 prior to April 17, 2014, and who files a valid and complete one-time  
7 application with the retirement board for the restoration of part or all  
8 of his or her relinquished creditable service prior to six years after  
9 April 17, 2014, but prior to termination, the following shall apply:

10 (i) Such member shall pay to the retirement system an amount equal  
11 to the previously withdrawn contributions for the creditable service to  
12 be restored, plus an amount equal to the actuarial assumed rate of return  
13 on such amount to the date of repayment; and

14 (ii) Payment for restoration of such relinquished creditable service  
15 must be completed within seven years of April 17, 2014, or prior to  
16 termination, whichever is earlier.

17 (b) With respect to any person who is reinstated to membership in  
18 the retirement system pursuant to subdivision (3)(a) of this section on  
19 and after April 17, 2014, and who files a valid and complete one-time  
20 application with the retirement board for the restoration of part or all  
21 of his or her relinquished creditable service within five years after the  
22 date of such member's reinstatement to membership in the retirement  
23 system but prior to termination, the following shall apply:

24 (i) Such member shall pay to the retirement system an amount equal  
25 to the previously withdrawn contributions for the creditable service to  
26 be restored, plus an amount equal to the actuarial assumed rate of return  
27 on such amount to the date of repayment; and

28 (ii) Payment for restoration of such relinquished creditable service  
29 must be completed within five years of the date of such member's  
30 reinstatement to membership in the retirement system or prior to  
31 termination, whichever is earlier.

1 (5)(a) If less than full payment is made by the member, relinquished  
2 creditable service shall be restored in proportion to the amounts repaid.

3 (b) Repayment may be made through direct payment, installment  
4 payments, an irrevocable payroll deduction authorization, cash rollover  
5 contributions pursuant to section 79-933.02, or trustee-to-trustee  
6 transfers pursuant to section 79-933.09, except that if the application  
7 for the restoration of part or all of the relinquished creditable service  
8 is received by the retirement system within one year before the member's  
9 termination date or the applicable last payment date as specified in  
10 subsection (4) of this section, whichever is earlier, repayment may only  
11 be made through a lump-sum direct payment, cash rollover contributions  
12 pursuant to section 79-933.02, or trustee-to-trustee transfers pursuant  
13 to section 79-933.09.

14 Sec. 6. Section 79-9,117, Revised Statutes Supplement, 2021, is  
15 amended to read:

16 79-9,117 (1)(a) ~~(1)~~ Until September 1, 2024, the board of trustees,  
17 ~~and beginning September 1, 2024, the retirement board,~~ shall establish a  
18 comprehensive preretirement planning program for school employees who are  
19 members of the retirement system. The program shall provide information  
20 and advice regarding the many changes members ~~employees~~ face upon  
21 retirement, including, but not limited to, changes in physical and mental  
22 health, housing, family life, leisure activity, and retirement income.

23 (b) Beginning September 1, 2024, the retirement board shall  
24 establish sessions as provided in section 84-1511 for school employees  
25 who are members of the retirement system.

26 (2) The preretirement planning program shall be available to all  
27 members ~~employees~~ who have attained the age of fifty years or are within  
28 five years of qualifying for retirement or early retirement under their  
29 retirement systems.

30 (3) The preretirement planning program shall include information on  
31 the federal and state income tax consequences of the various annuity or

1 retirement benefit options available to the member ~~employee~~, information  
2 on social security benefits, information on various local, state, and  
3 federal government programs and programs in the private sector designed  
4 to assist elderly persons, and information and advice the board of  
5 trustees or retirement board, as applicable, deems valuable in assisting  
6 members ~~employees~~ in the transition from public employment to retirement.

7 (4) The board of trustees or retirement board, as applicable, shall  
8 work with any governmental agency, including political subdivisions or  
9 bodies whose services or expertise may enhance the development or  
10 implementation of the preretirement planning program.

11 (5) The costs of the preretirement planning program shall be charged  
12 back to the retirement system.

13 (6) An employer shall provide each member ~~eligible~~ ~~employee~~ leave  
14 with pay to attend up to two preretirement planning programs. For  
15 purposes of this subsection, leave with pay means a day off paid by an  
16 employer and does not mean vacation, sick, personal, or compensatory  
17 time. A member ~~An employee~~ may choose to attend a program more than  
18 twice, but such leave shall be at the expense of the member ~~employee~~ and  
19 shall be at the discretion of the employer. A member ~~An eligible employee~~  
20 shall not be entitled to attend more than one preretirement planning  
21 program per fiscal year prior to actual election of retirement.

22 (7) A nominal registration fee may be charged to each person  
23 attending a preretirement planning program to cover the costs for meals,  
24 meeting rooms, or other expenses incurred under such program.

25 Sec. 7. Section 84-1310.01, Revised Statutes Cumulative Supplement,  
26 2020, is amended to read:

27 84-1310.01 (1)(a) ~~(1)~~ Each member employed and participating in the  
28 retirement system prior to January 1, 2003, who has elected not to  
29 participate in the cash balance benefit, shall be allowed to allocate all  
30 contributions to the member's ~~his or her~~ employee account to various  
31 investment options. The investment options shall include, but not be

1 limited to, the following:

2 ~~(a) Prior to January 1, 2021, the investment options shall include,~~  
3 ~~but not be limited to, the following:~~

4 ~~(i) An investor select account which shall be invested under the~~  
5 ~~direction of the state investment officer with an asset allocation and~~  
6 ~~investment strategy substantially similar to the investment allocations~~  
7 ~~made by the state investment officer for the defined benefit plans under~~  
8 ~~the retirement systems described in subdivision (1)(a) of section~~  
9 ~~84-1503. Investments shall most likely include domestic and international~~  
10 ~~equities, fixed income investments, and real estate, as well as~~  
11 ~~potentially additional asset classes;~~

12 ~~(ii) A stable return account which shall be invested by or under the~~  
13 ~~direction of the state investment officer in a stable value strategy that~~  
14 ~~provides capital preservation and consistent, steady returns;~~

15 ~~(iii) An equities account which shall be invested by or under the~~  
16 ~~direction of the state investment officer in equities;~~

17 ~~(iv) A balanced account which shall be invested by or under the~~  
18 ~~direction of the state investment officer in equities and fixed income~~  
19 ~~instruments;~~

20 ~~(v) An index fund account which shall be invested by or under the~~  
21 ~~direction of the state investment officer in a portfolio of common stocks~~  
22 ~~designed to closely duplicate the total return of the Standard and Poor's~~  
23 ~~division of The McGraw-Hill Companies, Inc., 500 Index;~~

24 ~~(vi) A fixed income account which shall be invested by or under the~~  
25 ~~direction of the state investment officer in fixed income instruments;~~

26 ~~(vii) A money market account which shall be invested by or under the~~  
27 ~~direction of the state investment officer in short-term fixed income~~  
28 ~~securities; and~~

29 ~~(viii) Beginning on July 1, 2006, an age-based account which shall~~  
30 ~~be invested under the direction of the state investment officer with an~~  
31 ~~asset allocation and investment strategy that changes based upon the age~~

~~1 of the member. The board shall develop an account mechanism that changes  
2 the investments as the employee nears retirement age. The asset  
3 allocation and asset classes utilized in the investments shall move from  
4 aggressive, to moderate, and then to conservative as retirement age  
5 approaches.~~

~~6 If a member fails to select an option or combination of options  
7 prior to January 1, 2021, all of his or her funds shall be placed in the  
8 option described in subdivision (a)(ii) of this subsection. Each member  
9 shall be given a detailed current description of each investment option  
10 prior to making or revising his or her allocation.~~

~~11 (b) On or after January 1, 2021, the investment options shall  
12 include, but not be limited to, the following:~~

~~13 (i) An investor select account which shall be invested under the  
14 direction of the state investment officer with an asset allocation and  
15 investment strategy substantially similar to the investment allocations  
16 made by the state investment officer for the defined benefit plans under  
17 the retirement systems described in subdivision (1)(a) of section  
18 84-1503. Investments shall most likely include domestic and international  
19 equities, fixed income investments, and real estate, as well as  
20 potentially additional asset classes;~~

~~21 (ii) A stable return account which shall be invested by or under the  
22 direction of the state investment officer in a stable value strategy that  
23 provides capital preservation and consistent, steady returns;~~

~~24 (iii) An equities account which shall be invested by or under the  
25 direction of the state investment officer in equities;~~

~~26 (iv) A fixed income account which shall be invested by or under the  
27 direction of the state investment officer in fixed income instruments;  
28 and~~

~~29 (v) A life-cycle fund which shall be invested under the direction of  
30 the state investment officer with an asset allocation and investment  
31 strategy that adjusts from a position of higher risk to one of lower risk~~

1 as the member ages.

2 (b) If the member fails to select an option or combination of  
3 options pursuant to ~~this subdivision~~ (a) of this subsection ~~(b)~~, all of  
4 the member's ~~his or her~~ funds shall be placed in the option described in  
5 subdivision (a)(v) ~~(b)(v)~~ of this subsection. Each member shall be given  
6 a detailed current description of each investment option prior to making  
7 or revising the member's ~~his or her~~ allocation.

8 (2) Members of the retirement system may allocate their  
9 contributions to the investment options in percentage increments as set  
10 by the board in any proportion, including full allocation to any one  
11 option. A member under subdivision (1)(a) of section 84-1323 or the  
12 member's ~~his or her~~ beneficiary may transfer any portion of the member's  
13 ~~his or her~~ funds among the options, except for restrictions on transfers  
14 to or from the stable return account pursuant to rule or regulation. The  
15 board may adopt and promulgate rules and regulations for changes of a  
16 member's allocation of contributions to the member's ~~his or her~~ accounts  
17 after the member's ~~his or her~~ most recent allocation and for transfers  
18 from one investment account to another.

19 (3) The board shall develop a schedule for the allocation of  
20 administrative costs of maintaining the various investment options and  
21 shall assess the costs so that each member pays a reasonable fee as  
22 determined by the board.

23 (4) In order to carry out the provisions of this section, the board  
24 may enter into administrative services agreements for accounting or  
25 record-keeping services. No agreement shall be entered into unless the  
26 board determines that it will result in administrative economy and will  
27 be in the best interests of the state and its participating employees.

28 (5) The state, the board, the state investment officer, the members  
29 of the Nebraska Investment Council, or the agency shall not be liable for  
30 any investment results resulting from the member's exercise of control  
31 over the assets in the employee account.

1           Sec. 8. Section 84-1311.03, Revised Statutes Cumulative Supplement,  
2 2020, is amended to read:

3           84-1311.03 (1) Each member employed and participating in the  
4 retirement system prior to January 1, 2003, who has elected not to  
5 participate in the cash balance benefit, shall be allowed to allocate all  
6 contributions to the member's ~~his or her~~ employer account to various  
7 investment options. Such investment options shall be the same as the  
8 investment options of the employee account as provided in subsection (1)  
9 of section 84-1310.01. If a member fails to select an option or  
10 combination of options, all of the member's ~~his or her~~ funds in the  
11 employer account shall be placed in the investment option described in  
12 subdivision (1)(a)(v) ~~or (1)(b)(v)~~ of section 84-1310.01, ~~whichever~~  
13 ~~option is applicable based on the date of contribution~~. Each member shall  
14 be given a detailed current description of each investment option prior  
15 to making or revising his or her allocation.

16           (2) Each member of the retirement system may allocate contributions  
17 to the member's ~~his or her~~ employer account to the investment options in  
18 percentage increments as set by the board in any proportion, including  
19 full allocation to any one option. A member under subdivision (1)(a) of  
20 section 84-1323 or the member's ~~his or her~~ beneficiary may transfer any  
21 portion of the member's ~~his or her~~ funds among the options. The board may  
22 adopt and promulgate rules and regulations for changes of a member's  
23 allocation of contributions to the member's ~~his or her~~ accounts after the  
24 member's ~~his or her~~ most recent allocation and for transfers from one  
25 investment account to another.

26           (3) The board shall develop a schedule for the allocation of  
27 administrative costs of maintaining the various investment options and  
28 shall assess the costs so that each member pays a reasonable fee as  
29 determined by the board.

30           (4) In order to carry out the provisions of this section, the board  
31 may enter into administrative services agreements for accounting or

1 record-keeping services. No agreement shall be entered into unless the  
2 board determines that it will result in administrative economy and will  
3 be in the best interests of the state and its participating employees.

4 (5) The state, the board, the state investment officer, the members  
5 of the Nebraska Investment Council, or the agency shall not be liable for  
6 any investment results resulting from the member's exercise of control  
7 over the assets in the employer account.

8 Sec. 9. Section 84-1319.01, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 84-1319.01 ~~The There is hereby created the~~ State Equal Retirement  
11 Benefit Fund is created. The fund shall ~~to~~ be administered by the  
12 board. Each state agency participating in the retirement system shall  
13 make a contribution at least once a year to the fund, in addition to any  
14 other retirement contributions. Such contribution shall be in an amount  
15 determined by the board to provide all similarly situated male and female  
16 members of the retirement system with equal benefits pursuant to  
17 subsection (2) of section 84-1319 and to provide for direct expenses  
18 incurred in administering the fund. The amount contributed to the fund by  
19 each state agency participating in the retirement system shall be  
20 proportionate to the total amount such agency contributes to the system  
21 for retirement benefits. Any money in the fund available for investment  
22 shall be invested by the state investment officer pursuant to the  
23 Nebraska Capital Expansion Act and the Nebraska State Funds Investment  
24 Act.

25 Sec. 10. Section 84-1322, Revised Statutes Cumulative Supplement,  
26 2020, is amended to read:

27 84-1322 (1) Prior to January 1, 2020, except as otherwise provided  
28 in this section, a member of the retirement system who has a five-year  
29 break in service shall upon reemployment be considered a new employee  
30 with respect to the State Employees Retirement Act and shall not receive  
31 credit for service prior to his or her reemployment date.

1           (2)(a) A member who ceases to be an employee before becoming  
2 eligible for retirement under section 84-1317 and again becomes a  
3 permanent full-time or permanent part-time state employee prior to having  
4 a five-year break in service shall immediately be reenrolled in the  
5 retirement system and resume making contributions. For purposes of  
6 vesting employer contributions made prior to and after reentry into the  
7 retirement system under subsection (3) of section 84-1321, years of  
8 participation include years of participation prior to such employee's  
9 original termination. For a member who is not vested and has received a  
10 termination benefit pursuant to section 84-1321, the years of  
11 participation prior to such employee's original termination shall be  
12 limited in a ratio equal to the amount that the member repays divided by  
13 the termination benefit withdrawn pursuant to section 84-1321. This  
14 subsection shall apply whether or not the person was a state employee on  
15 April 20, 1986, or July 17, 1986.

16           (b) The reemployed member may repay the value of, or a portion of  
17 the value of, the termination benefit withdrawn pursuant to section  
18 84-1321. A reemployed member who elects to repay all or a portion of the  
19 value of the termination benefit withdrawn pursuant to section 84-1321  
20 shall repay the actual earnings on such value. Repayment of the  
21 termination benefit shall commence within three years after reemployment  
22 and shall be completed within five years after reemployment or prior to  
23 termination of employment, whichever occurs first, through (i) direct  
24 payments to the retirement system, (ii) installment payments made  
25 pursuant to a binding irrevocable payroll deduction authorization made by  
26 the member, (iii) an eligible rollover distribution as provided under the  
27 Internal Revenue Code, or (iv) a direct rollover distribution made in  
28 accordance with section 401(a)(31) of the Internal Revenue Code.

29           (c) The value of the member's forfeited employer account or employer  
30 cash balance account, as of the date of forfeiture, shall be restored in  
31 a ratio equal to the amount of the benefit that the member has repaid

1 divided by the termination benefit received. The employer account or  
2 employer cash balance account shall be restored first out of the current  
3 forfeiture amounts and then by additional employer contributions.

4 (3) For a member who retired pursuant to section 84-1317 and becomes  
5 a permanent full-time employee or permanent part-time employee with the  
6 state more than one hundred twenty days after his or her retirement date,  
7 the member shall continue receiving retirement benefits. Such a retired  
8 member or a retired member who received a lump-sum distribution of his or  
9 her benefit shall be considered a new employee as of the date of  
10 reemployment and shall not receive credit for any service prior to the  
11 member's retirement for purposes of the act.

12 (4) A member who is reinstated as an employee pursuant to a  
13 grievance or appeal of his or her termination by the state shall be a  
14 member upon reemployment and shall not be considered to have a break in  
15 service for such period of time that the grievance or appeal was pending.

16 (5) Beginning January 1, 2020, if a contributing member of the  
17 retirement system ceases to be an employee and returns to service in any  
18 capacity with the state prior to having a one-hundred-twenty-day break in  
19 service, the member:

20 (a) Shall not be deemed to have had a bona fide separation of  
21 service;

22 (b) Shall be immediately reenrolled in:

23 (i) The defined contribution benefit if the member was contributing  
24 to the defined contribution benefit prior to ceasing employment; or

25 (ii) The cash balance benefit in which the member was participating  
26 prior to ceasing employment if the member was contributing to the cash  
27 balance benefit prior to ceasing employment;

28 (c) Shall immediately resume making contributions;

29 (d) Shall make up any missed contributions based upon services  
30 rendered and compensation received;

31 (e) Shall have all distributions from the retirement system

1 canceled; and

2 (f) Shall repay the gross distributions from the retirement system.

3 (6)(a) Beginning January 1, 2020, if a contributing member of the  
4 retirement system ceases to be an employee and returns to permanent full-  
5 time or permanent part-time service in any capacity with the state after  
6 having a one-hundred-twenty-day break in service, the member:

7 (i) Shall be immediately reenrolled in:

8 (A) The defined contribution benefit if the member was contributing  
9 to the defined contribution benefit prior to ceasing employment; or

10 (B) The cash balance benefit in which the member was participating  
11 prior to ceasing employment if the member was contributing to the cash  
12 balance benefit prior to ceasing employment;

13 (ii) Shall immediately resume making contributions;

14 (iii) Shall continue receiving any annuity elected after the member  
15 ceased employment and before the member was reemployed; and

16 (iv) Shall be prohibited from taking any distributions from the  
17 retirement system until the employee again terminates employment with the  
18 state.

19 (b) For the purposes of vesting employer contributions made prior to  
20 and after reentry into the retirement system, the member's years of  
21 participation prior to the date the member originally ceased employment  
22 and the years of participation after the member is reenrolled in the  
23 retirement system shall be included as years of participation, except  
24 that if the member is not vested on the date the member originally ceased  
25 employment and has taken a distribution, the years of participation prior  
26 to the date the member originally ceased employment shall be limited in a  
27 ratio equal to the value of the distribution that the member repays  
28 divided by the total value of the distribution taken as described in  
29 subdivision (6)(c) of this section.

30 (c) A reemployed member may repay all or a portion of the value of a  
31 distribution except for an annuity elected after the member ceased

1 employment and before the member was reemployed. Repayment of such a  
2 distribution shall commence within three years after reemployment and  
3 shall be completed within five years after reemployment or prior to the  
4 member again ceasing employment, whichever occurs first, through (i)  
5 direct payments to the retirement system, (ii) installment payments made  
6 pursuant to a binding irrevocable payroll deduction authorization made by  
7 the member, (iii) an eligible rollover distribution as provided under the  
8 Internal Revenue Code, or (iv) a direct rollover distribution made in  
9 accordance with section 401(a)(31) of the Internal Revenue Code. If the  
10 member fails to repay all of the value of such a distribution prior to  
11 the member again ceasing employment, the member shall be forever barred  
12 from repaying the value of such a distribution taken between the periods  
13 of employment. The value of the member's forfeited employer account or  
14 employer cash balance account, as of the date of forfeiture, shall be  
15 restored in a ratio equal to the amount of the distribution repaid by the  
16 member divided by the amount of the distribution taken. The employer  
17 account or employer cash balance account shall be restored first out of  
18 the current forfeiture amounts and then by additional employer  
19 contributions.

20 Sec. 11. Section 84-1503, Revised Statutes Supplement, 2021, is  
21 amended to read:

22 84-1503 (1) It shall be the duty of the Public Employees Retirement  
23 Board:

24 (a) To administer the retirement systems provided for in the County  
25 Employees Retirement Act, the Judges Retirement Act, the Nebraska State  
26 Patrol Retirement Act, the School Employees Retirement Act, the State  
27 Employees Retirement Act, and, beginning September 1, 2024, the Class V  
28 School Employees Retirement Act. The agency for the administration of the  
29 retirement systems and under the direction of the board shall be known  
30 and may be cited as the Nebraska Public Employees Retirement Systems;

31 (b) To appoint a director to administer the systems under the

1 direction of the board. The appointment shall be subject to the approval  
2 of the Governor and a majority of the Legislature. Director  
3 qualifications shall include, but not be limited to, (i) supervisory or  
4 management experience and (ii) training in, experience with, or a  
5 demonstrated knowledge of qualified public employee retirement plan  
6 administration ~~The director shall be qualified by training and have at~~  
7 ~~least five years of experience in the administration of a qualified~~  
8 ~~public or private employee retirement plan.~~ The director shall not be a  
9 member of the board. The salary of the director shall be set by the  
10 board. The director shall serve without term and may be removed by the  
11 board;

12 (c) To provide for an equitable allocation of expenses among the  
13 retirement systems administered by the board, and all expenses shall be  
14 provided from the investment income earned by the various retirement  
15 funds unless alternative sources of funds to pay expenses are specified  
16 by law;

17 (d) To administer the deferred compensation program authorized in  
18 section 84-1504;

19 (e) To hire an attorney, ~~admitted to the Nebraska State Bar~~  
20 ~~Association,~~ to advise the board in the administration of the retirement  
21 systems listed in subdivision (a) of this subsection. The attorney shall  
22 be admitted to practice law in Nebraska, except that the board shall have  
23 the discretion to hire an attorney for a probationary period not to  
24 exceed six months pending such attorney's admission to practice law in  
25 Nebraska;

26 (f) To hire an internal auditor to perform the duties described in  
27 section 84-1503.04 who meets the minimum standards as described in  
28 section 84-304.03; and

29 (g) To adopt and implement procedures for reporting information by  
30 employers, as well as testing and monitoring procedures in order to  
31 verify the accuracy of such information. The information necessary to

1 determine membership shall be provided by the employer. The board may  
2 adopt and promulgate rules and regulations and prescribe such forms  
3 necessary to carry out this subdivision. Nothing in this subdivision  
4 shall be construed to require the board to conduct onsite audits of  
5 political subdivisions for compliance with statutes, rules, and  
6 regulations governing the retirement systems listed in subdivision (1)(a)  
7 of this section regarding membership and contributions. ~~;~~ and

8 ~~(h) To prescribe and furnish forms for the public retirement system~~  
9 ~~plan reports required to be filed pursuant to sections 2-3228, 12-101,~~  
10 ~~14-567, 14-1805.01, 14-2111, 15-1017, 16-1017, 16-1037, 19-3501, 23-1118,~~  
11 ~~23-3526, 71-1631.02, and 79-987 through December 31, 2017.~~

12 (2) In administering the retirement systems listed in subdivision  
13 (1)(a) of this section, it shall be the duty of the board:

14 (a) To determine, based on information provided by the employer, the  
15 prior service annuity, if any, for each person who is an employee of the  
16 county on the date of adoption of the retirement system;

17 (b) To determine the eligibility of an individual to be a member of  
18 the retirement system and other questions of fact in the event of a  
19 dispute between an individual and the individual's employer;

20 (c) To adopt and promulgate rules and regulations, as the board may  
21 deem necessary, for the management of the board;

22 (d) To keep a complete record of all proceedings taken at any  
23 meeting of the board;

24 (e) To obtain, by a competitive, formal, and sealed bidding process  
25 through the materiel division of the Department of Administrative  
26 Services, actuarial services on behalf of the State of Nebraska as may be  
27 necessary in the administration and development of the retirement  
28 systems, including, but not limited to, preparation of an annual  
29 actuarial valuation report of each of the defined benefit and cash  
30 balance plans administered by the board. Such annual valuation reports  
31 shall be presented by the actuary to the Nebraska Retirement Systems

1 Committee of the Legislature at a public hearing or hearings. Any  
2 contract for actuarial services shall contain a provision allowing the  
3 actuary, without prior approval of the board, to perform actuarial  
4 studies of the systems as requested by entities other than the board, if  
5 notice, which does not identify the entity or substance of the request,  
6 is given to the board, all costs are paid by the requesting entity,  
7 results are provided to the board, the Nebraska Retirement Systems  
8 Committee of the Legislature, and the Legislative Fiscal Analyst upon  
9 being made public, and such actuarial studies do not interfere with the  
10 actuary's ongoing responsibility to the board. The term of the contract  
11 shall be for up to three years. A competitive, formal, and sealed bidding  
12 process shall be completed at least once every three years, unless the  
13 board determines that such a process would not be cost effective under  
14 the circumstances and that the actuarial services performed have been  
15 satisfactory, in which case the contract may also contain an option for  
16 renewal without a competitive, formal, and sealed bidding process for up  
17 to two additional three-year periods. An actuary under contract for the  
18 State of Nebraska shall be a member of the American Academy of Actuaries  
19 and meet the academy's qualification standards to render a statement of  
20 actuarial opinion;

21 (f) To direct the State Treasurer to transfer funds, as an expense  
22 of the retirement systems, to the Legislative Council Retirement Study  
23 Fund. Such transfer shall ~~occur beginning on or after July 1, 2005, and~~  
24 ~~at intervals of not less than five years and not more than fifteen years~~  
25 ~~and shall~~ be in such amounts as the Legislature shall direct;

26 (g) To adopt and promulgate rules and regulations, as the board may  
27 deem necessary, to carry out the provisions of each retirement system  
28 described in subdivision (1)(a) of this section, which includes, but is  
29 not limited to, the crediting of military service, direct rollover  
30 distributions, and the acceptance of rollovers;

31 (h) To obtain auditing services for a separate compliance audit of

1 the retirement systems to be completed by December 31, 2028 ~~2020~~, and  
2 from time to time thereafter at the request of the Nebraska Retirement  
3 Systems Committee of the Legislature, to be completed not more than every  
4 four years but not less than every ten years. The compliance audit shall  
5 be in addition to the annual audit conducted by the Auditor of Public  
6 Accounts. The compliance audit shall include, but not be limited to, an  
7 examination of records, files, and other documents and an evaluation of  
8 all policies and procedures to determine compliance with all state and  
9 federal laws. A copy of the compliance audit shall be given to the  
10 Governor, the board, and the Nebraska Retirement Systems Committee of the  
11 Legislature and shall be presented to the committee at a public hearing;

12 (i) To adopt and promulgate rules and regulations, as the board may  
13 deem necessary, for the adjustment of contributions or benefits, which  
14 includes, but is not limited to: (i) The procedures for refunding  
15 contributions, adjusting future contributions or benefit payments, and  
16 requiring additional contributions or repayment of benefits; (ii) the  
17 process for a member, member's beneficiary, employee, or employer to  
18 dispute an adjustment to contributions or benefits; (iii) establishing  
19 materiality and de minimus amounts for agency transactions, adjustments,  
20 and inactive account closures; and (iv) notice provided to all affected  
21 persons. Following an adjustment, a timely notice shall be sent that  
22 describes the adjustment and the process for disputing an adjustment to  
23 contributions or benefits;

24 (j)(i) To amend the deferred compensation plan to require that in  
25 the event of a member's death, except as provided in section 42-1107, the  
26 death benefit shall be paid to the following, in order of priority:

27 (A) To the member's surviving designated beneficiary on file with  
28 the board;

29 (B) To the spouse married to the member on the member's date of  
30 death if there is no surviving designated beneficiary on file with the  
31 board; or

1 (C) To the member's estate if the member is not married on the  
2 member's date of death and there is no surviving designated beneficiary  
3 on file with the board; and

4 (ii) The priority designations described in subdivision (2)(j)(i) of  
5 this section shall not apply if the member has retired under a joint and  
6 survivor benefit option;

7 (k) To make a thorough investigation through the director or the  
8 director's designee, of any overpayment of a benefit, when in the  
9 judgment of the director such investigation is necessary, including, but  
10 not limited to, circumstances in which benefit payments are made after  
11 the death of a member or beneficiary and the retirement system is not  
12 made aware of such member's or beneficiary's death. In connection with  
13 any such investigation, the board, through the director or the director's  
14 designee, shall have the power to compel the attendance of witnesses and  
15 the production of books, papers, records, and documents, whether in  
16 hardcopy, electronic form, or otherwise, and issue subpoenas for such  
17 purposes. Such subpoenas shall be served in the same manner and have the  
18 same effect as subpoenas from district courts; and

19 (l) To administer all retirement system plans in a manner which will  
20 maintain each plan's status as a qualified plan pursuant to the Internal  
21 Revenue Code, as defined in section 49-801.01, including: Section 401(a)  
22 (9) of the Internal Revenue Code relating to the time and manner in which  
23 benefits are required to be distributed, including the incidental death  
24 benefit distribution requirement of section 401(a)(9)(G) of the Internal  
25 Revenue Code; section 401(a)(25) of the Internal Revenue Code relating to  
26 the specification of actuarial assumptions; section 401(a)(31) of the  
27 Internal Revenue Code relating to direct rollover distributions from  
28 eligible retirement plans; section 401(a)(37) of the Internal Revenue  
29 Code relating to the death benefit of a member whose death occurs while  
30 performing qualified military service; and section 401(a) of the Internal  
31 Revenue Code by meeting the requirements of section 414(d) of the

1 Internal Revenue Code relating to the establishment of retirement plans  
2 for governmental employees of a state or political subdivision thereof.  
3 The board may adopt and promulgate rules and regulations necessary or  
4 appropriate to maintain such status including, but not limited to, rules  
5 or regulations which restrict discretionary or optional contributions to  
6 a plan or which limit distributions from a plan.

7 (3) By ~~March 31 of each year prior to 2020, and by~~ April 10 of each  
8 year ~~beginning in 2020~~, the board shall prepare a written plan of action  
9 and shall present such plan to the Nebraska Retirement Systems Committee  
10 of the Legislature at a public hearing. The plan shall include, but not  
11 be limited to, the board's funding policy, the administrative costs and  
12 other fees associated with each fund and plan overseen by the board,  
13 member education and informational programs, the director's duties and  
14 limitations, an organizational structure of the office of the Nebraska  
15 Public Employees Retirement Systems, and the internal control structure  
16 of such office to ensure compliance with state and federal laws.

17 (4)(a) Beginning in 2016, and at least every four years thereafter  
18 in even-numbered years or at the request of the Nebraska Retirement  
19 Systems Committee of the Legislature, the board shall obtain an  
20 experience study. Within thirty business days after presentation of the  
21 experience study to the board, the actuary shall present the study to the  
22 Nebraska Retirement Systems Committee at a public hearing. If the board  
23 does not adopt all of the recommendations in the experience study, the  
24 board shall provide a written explanation of its decision to the Nebraska  
25 Retirement Systems Committee and the Governor. The explanation shall be  
26 delivered within ten business days after formal action by the board to  
27 not adopt one or more of the recommendations.

28 (b) The director shall provide an electronic copy of the first draft  
29 and a final draft of the experience study and annual valuation reports to  
30 the Nebraska Retirement Systems Committee and the Governor when the  
31 director receives the drafts from the actuary. The drafts shall be deemed

1 confidential information. The draft copies obtained by the Nebraska  
2 Retirement Systems Committee and the Governor pursuant to this section  
3 shall not be considered public records subject to sections 84-712 to  
4 84-712.09.

5 (c) For purposes of this subsection, business days shall be computed  
6 by excluding the day the request is received, after which the designated  
7 period of time begins to run. A business day shall not include a Saturday  
8 or a Sunday or a day during which the Nebraska Public Employees  
9 Retirement Systems office is closed.

10 (5) It shall be the duty of the board to direct the State Treasurer  
11 to transfer funds, as an expense of the retirement system provided for  
12 under the Class V School Employees Retirement Act, to and from the Class  
13 V Retirement System Payment Processing Fund and the Class V School  
14 Employees Retirement Fund for the benefit of a retirement system provided  
15 for under the Class V School Employees Retirement Act to implement the  
16 provisions of section 79-986. The agency for the administration of this  
17 provision and under the direction of the board shall be known and may be  
18 cited as the Nebraska Public Employees Retirement Systems.

19 (6) Pursuant to section 79-9,121, it shall be the duty of the board  
20 to carry out the work plan, file the report, and contract with, bill, and  
21 receive payment from an employer of any Class V school employees  
22 retirement system established under the Class V School Employees  
23 Retirement Act for all services performed in the conduct, completion, and  
24 report of such work plan regarding the transfer of management of any such  
25 Class V school employees retirement system.

26 (7) It shall be the duty of the board to complete the additional  
27 identification and examination of issues pursuant to section 79-9,124, to  
28 enter and carry out the plan for the transfer and transition of the  
29 management and administration of any Class V school employees retirement  
30 system established under the Class V School Employees Retirement Act  
31 pursuant to section 79-979.01, and to bill and receive payment from an

1 employer of any such retirement system for the costs and expenses of the  
2 board in carrying out the plan and the transfer of the management and  
3 administration of the Class V school employees retirement system to the  
4 board.

5 Sec. 12. Section 84-1511, Reissue Revised Statutes of Nebraska, is  
6 amended to read:

7 84-1511 (1) For purposes of this section:

8 (a) Leave with pay means time off paid by the employer and does not  
9 mean vacation, sick, personal, or compensatory time; and

10 (b) Session means an in-person training or live-broadcast webinar  
11 but does not include information that can be accessed at any time via  
12 electronic means.

13 (2)(a) (1) The Public Employees Retirement Board shall provide  
14 sessions establish a comprehensive preretirement planning program for  
15 state patrol officers, state employees, judges, county employees, and  
16 school employees who are members of the retirement systems established  
17 pursuant to the County Employees Retirement Act, the Judges Retirement  
18 Act, the School Employees Retirement Act, the Nebraska State Patrol  
19 Retirement Act, and the State Employees Retirement Act. The sessions  
20 program shall provide information and advice regarding the many changes  
21 members employees face upon retirement, including, but not limited to,  
22 changes in physical and mental health, housing, family life, leisure  
23 activity, and retirement income.

24 (b) (2) The sessions preretirement planning program shall be  
25 available to all members employees who have satisfied the vesting  
26 requirements attained the age of fifty years or are within five years of  
27 qualifying for retirement or early retirement under the their retirement  
28 system in which the member participates and is seeking education systems.

29 (c) (3) The sessions preretirement planning program shall include  
30 information on the federal and state income tax consequences of the  
31 various annuity or retirement benefit options available to the member

1 ~~employee~~, information on social security benefits, information on various  
2 local, state, and federal government programs and programs in the private  
3 sector designed to assist elderly persons, and information and advice the  
4 board deems valuable in assisting retirement system members ~~public~~  
5 ~~employees~~ in the transition from public employment to retirement.

6 (d) Beginning September 1, 2024, as provided pursuant to section  
7 79-9,117, the board shall also provide the sessions described in this  
8 section to school employees who are members of any retirement system  
9 established pursuant to the Class V School Employees Retirement Act.

10 ~~(3) (4)~~ The board shall work with the Department of Health and Human  
11 Services, the personnel division of the Department of Administrative  
12 Services, employee groups, and any other governmental agency, including  
13 political subdivisions or bodies whose services or expertise may enhance  
14 the development or implementation of the sessions ~~preretirement planning~~  
15 ~~program~~.

16 ~~(5) Funding to cover the expense of the preretirement planning~~  
17 ~~program shall be charged back to each retirement fund on a pro rata share~~  
18 ~~based on the number of employees in each plan.~~

19 (4)(a)(i) Each ~~(6)~~ The employer participating in the Retirement  
20 System for Nebraska Counties or the State Employees Retirement System of  
21 the State of Nebraska shall provide each member eligible employee leave  
22 with pay to attend up to three days of sessions ~~two preretirement~~  
23 ~~planning programs. For purposes of this subsection, leave with pay shall~~  
24 ~~mean a day off paid by the employer and shall not mean vacation, sick,~~  
25 ~~personal, or compensatory time.~~

26 (ii) Each employer participating in the Nebraska Judges Retirement  
27 System, the School Employees Retirement System of the State of Nebraska,  
28 or the Nebraska State Patrol Retirement System shall provide each member  
29 leave with pay to attend up to two days of sessions.

30 (b) Leave granted by subdivision (4)(a) of this section may only be  
31 used to attend sessions that occur during the employee's normal work day.

1        (c) A member ~~An employee~~ may choose to attend ~~a program~~ more  
2 sessions than the leave authorized by subdivision (4)(a) of this section  
3 ~~twice~~, but ~~such leave to attend such additional sessions~~ shall be at the  
4 expense of the ~~member~~ employee and shall be at the discretion of the  
5 employer. ~~An eligible employee shall not be entitled to attend more than~~  
6 ~~one preretirement planning program per fiscal year prior to actual~~  
7 ~~election of retirement.~~

8        (5) Funding to cover the expenses of a session shall be charged back  
9 to the retirement fund of each plan for which sessions are provided  
10 pursuant to subsection (2) of this section on a pro rata share based on  
11 the number of members in each plan, except that a ~~(7)~~ A nominal  
12 registration fee may be charged to each person attending an in-person  
13 training session ~~a preretirement planning program~~ to cover the costs for  
14 meals, meeting rooms, or other expenses incurred that are incident to an  
15 in-person training session ~~under such program.~~

16        Sec. 13. Original sections 23-2317.01, 84-1319.01, and 84-1511,  
17 Reissue Revised Statutes of Nebraska, sections 23-2309.01, 23-2310.05,  
18 72-1243, 79-921, 84-1310.01, 84-1311.03, and 84-1322, Revised Statutes  
19 Cumulative Supplement, 2020, and sections 79-9,117 and 84-1503, Revised  
20 Statutes Supplement, 2021, are repealed.

21        Sec. 14. The following section is outright repealed: Section  
22 84-1511.01, Reissue Revised Statutes of Nebraska.

23        Sec. 15. Since an emergency exists, this act takes effect when  
24 passed and approved according to law.