

AMENDMENTS TO LB 188

Introduced by Pankonin, 2.

1           1. Strike original sections 2 and 10 and insert the  
2 following new sections:

3           Sec. 2. Section 23-2308.01, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5           23-2308.01 (1) It is the intent of the Legislature that,  
6 in order to improve the competitiveness of the retirement plan  
7 for county employees, a cash balance benefit shall be added to  
8 the County Employees Retirement Act on and after January 1, 2003.  
9 Each member who is employed and participating in the retirement  
10 system prior to January 1, 2003, may either elect to continue  
11 participation in the defined contribution benefit as provided in  
12 the act prior to January 1, 2003, or elect to participate in the  
13 cash balance benefit as set forth in this section. The member  
14 shall make the election prior to January 1, 2003, or on or after  
15 November 1, 2007, but before January 1, 2008. If no election  
16 is made prior to January 1, 2003, or on or after November 1,  
17 2007, but before January 1, 2008, the member shall be treated as  
18 though he or she elected to continue participating in the defined  
19 contribution benefit as provided in the act prior to January 1,  
20 2003. Members who elect to participate in the cash balance benefit  
21 on or after November 1, 2007, but before January 1, 2008, shall  
22 commence participation in the cash balance benefit on January 1,  
23 2008. Any member who made the election prior to January 1, 2003,

1 does not have to reelect the cash balance benefit on or after  
2 November 1, 2007, but before January 1, 2008. A member employed  
3 and participating in the retirement system prior to January 1,  
4 2003, who terminates employment on or after January 1, 2003, and  
5 returns to employment prior to having a five-year break in service  
6 shall participate in the cash balance benefit as set forth in this  
7 section.

8 (2) For a member employed and participating in the  
9 retirement system beginning on and after January 1, 2003, or a  
10 member employed and participating in the retirement system on  
11 January 1, 2003, who, prior to January 1, 2003, or on or after  
12 November 1, 2007, but before January 1, 2008, elects to convert his  
13 or her employee and employer accounts to the cash balance benefit:

14 (a) The employee cash balance account shall, at any time,  
15 be equal to the following:

16 (i) The initial employee account balance, if any,  
17 transferred from the defined contribution plan account described in  
18 section 23-2309; plus

19 (ii) Employee contribution credits deposited in  
20 accordance with section 23-2307; plus

21 (iii) Interest credits credited in accordance with  
22 subdivision (19) of section 23-2301; plus

23 (iv) Dividend amounts credited in accordance with  
24 subdivision (4)(c) of section 23-2317; and

25 (b) The employer cash balance account shall, at any time,  
26 be equal to the following:

27 (i) The initial employer account balance, if any,

1 transferred from the defined contribution plan account described in  
2 section 23-2310; plus

3 (ii) Employer contribution credits deposited in  
4 accordance with section 23-2308; plus

5 (iii) Interest credits credited in accordance with  
6 subdivision (19) of section 23-2301; plus

7 (iv) Dividend amounts credited in accordance with  
8 subdivision (4)(c) of section 23-2317.

9 (3) In order to carry out the provisions of this section,  
10 the board may enter into administrative services agreements for  
11 accounting or record-keeping services. No agreement shall be  
12 entered into unless the board determines that it will result  
13 in administrative economy and will be in the best interests of the  
14 counties and their participating employees. The board may develop  
15 a schedule for the allocation of the administrative services  
16 agreements costs for accounting or record-keeping services and may  
17 assess the costs so that each member pays a reasonable fee as  
18 determined by the board. The money forfeited pursuant to section  
19 23-2319.01 shall not be used to pay the administrative costs  
20 incurred pursuant to this subsection.

21 Sec. 11. Section 84-1309.02, Reissue Revised Statutes of  
22 Nebraska, is amended to read:

23 84-1309.02 (1) It is the intent of the Legislature that,  
24 in order to improve the competitiveness of the retirement plan for  
25 state employees, a cash balance benefit shall be added to the State  
26 Employees Retirement Act on and after January 1, 2003. Each member  
27 who is employed and participating in the retirement system prior

1 to January 1, 2003, may either elect to continue participation  
2 in the defined contribution benefit as provided in the act prior  
3 to January 1, 2003, or elect to participate in the cash balance  
4 benefit as set forth in this section. The member shall make the  
5 election prior to January 1, 2003, or on or after November 1, 2007,  
6 but before January 1, 2008. If no election is made prior to January  
7 1, 2003, or on or after November 1, 2007, but before January 1,  
8 2008, the member shall be treated as though he or she elected  
9 to continue participating in the defined contribution benefit as  
10 provided in the act prior to January 1, 2003. Members who elect  
11 to participate in the cash balance benefit on or after November  
12 1, 2007, but before January 1, 2008, shall commence participation  
13 in the cash balance benefit on January 1, 2008. Any member who  
14 made the election prior to January 1, 2003, does not have to  
15 reelect the cash balance benefit on or after November 1, 2007,  
16 but before January 1, 2008. A member employed and participating  
17 in the retirement system prior to January 1, 2003, who terminates  
18 employment on or after January 1, 2003, and returns to employment  
19 prior to having a five-year break in service shall participate in  
20 the cash balance benefit as set forth in this section.

21 (2) For a member employed and participating in the  
22 retirement system beginning on and after January 1, 2003, or a  
23 member employed and participating in the retirement system on  
24 January 1, 2003, who, prior to January 1, 2003, or on or after  
25 November 1, 2007, but before January 1, 2008, elects to convert his  
26 or her employee and employer accounts to the cash balance benefit:

27 (a) The employee cash balance account shall, at any time,

1 be equal to the following:

2 (i) The initial employee account balance, if any,  
3 transferred from the defined contribution plan account described in  
4 section 84-1310; plus

5 (ii) Employee contribution credits deposited in  
6 accordance with section 84-1308; plus

7 (iii) Interest credits credited in accordance with  
8 subdivision (18) of section 84-1301; plus

9 (iv) Dividend amounts credited in accordance with  
10 subdivision (4)(c) of section 84-1319; and

11 (b) The employer cash balance account shall, at any time,  
12 be equal to the following:

13 (i) The initial employer account balance, if any,  
14 transferred from the defined contribution plan account described in  
15 section 84-1311; plus

16 (ii) Employer contribution credits deposited in  
17 accordance with section 84-1309; plus

18 (iii) Interest credits credited in accordance with  
19 subdivision (18) of section 84-1301; plus

20 (iv) Dividend amounts credited in accordance with  
21 subdivision (4)(c) of section 84-1319.

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

1 a schedule for the allocation of the administrative services  
2 agreements costs for accounting or record-keeping services and may  
3 assess the costs so that each member pays a reasonable fee as  
4 determined by the board. The money forfeited pursuant to section  
5 84-1321.01 shall not be used to pay the administrative costs  
6 incurred pursuant to this subsection.