

AMENDMENTS TO LB 509

Introduced by Nebraska Retirement Systems

1 1. Insert the following new sections:

2 Sec. 6. Section 23-2308.01, Revised Statutes Cumulative
3 Supplement, 2010, is amended to read:

4 23-2308.01 (1) It is the intent of the Legislature that,
5 in order to improve the competitiveness of the retirement plan
6 for county employees, a cash balance benefit shall be added to
7 the County Employees Retirement Act on and after January 1, 2003.
8 Each member who is employed and participating in the retirement
9 system prior to January 1, 2003, may either elect to continue
10 participation in the defined contribution benefit as provided in
11 the act prior to January 1, 2003, or elect to participate in the
12 cash balance benefit as set forth in this section. The member
13 shall make the election prior to January 1, 2003, or on or after
14 November 1, 2007, but before January 1, 2008. If no election
15 is made prior to January 1, 2003, or on or after November 1,
16 2007, but before January 1, 2008, the member shall be treated as
17 though he or she elected to continue participating in the defined
18 contribution benefit as provided in the act prior to January 1,
19 2003. Members who elect to participate in the cash balance benefit
20 on or after November 1, 2007, but before January 1, 2008, shall
21 commence participation in the cash balance benefit on January 1,
22 2008. Any member who made the election prior to January 1, 2003,
23 does not have to reelect the cash balance benefit on or after

1 November 1, 2007, but before January 1, 2008. A member employed
2 and participating in the retirement system prior to January 1,
3 2003, who terminates employment on or after January 1, 2003, and
4 returns to employment prior to having a five-year break in service
5 shall participate in the cash balance benefit as set forth in this
6 section.

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

13 (a) The Except as provided in subdivision (2)(b) of
14 section 23-2319.01, the employee cash balance account shall, at any
15 time, 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.

19 Sec. 8. Section 23-2320, Revised Statutes Cumulative
20 Supplement, 2010, is amended to read:

21 23-2320 (1) Except as otherwise provided in this section,
22 a member of the retirement system who has a five-year break in
23 service shall upon reemployment be considered a new employee with
24 respect to the County Employees Retirement Act and shall not
25 receive credit for service prior to his or her reemployment date.

26 (2)(a) A member who ceases to be an employee before
27 becoming eligible for retirement under section 23-2315 and

1 again becomes a permanent full-time or permanent part-time
2 county employee prior to having a five-year break in service
3 shall immediately be reenrolled in the retirement system and
4 resume making contributions. For purposes of vesting employer
5 contributions made prior to and after the reentry into the
6 retirement system under subsection (3) of section 23-2319, years
7 of participation include years of participation prior to such
8 employee's original termination. For a member who is not vested and
9 has received a termination benefit pursuant to section 23-2319,
10 the years of participation prior to such employee's original
11 termination shall be limited in a ratio equal to the amount that
12 the member repays divided by the termination benefit withdrawn
13 pursuant to section 23-2319.

14 (b) The reemployed member may repay the value of, or
15 a portion of the value of, the termination benefit withdrawn
16 pursuant to section 23-2319. A reemployed member who elects to
17 repay all or a portion of the value of the termination benefit
18 withdrawn pursuant to section 23-2319 shall repay the actual
19 earnings on such value. Repayment of the termination benefit shall
20 commence within three years of reemployment and shall be completed
21 within five years of reemployment or prior to termination of
22 employment, whichever occurs first, through (i) direct payments to
23 the retirement system, (ii) installment payments made pursuant to
24 a binding irrevocable payroll deduction authorization made by the
25 member, (iii) an eligible rollover distribution as provided under
26 the Internal Revenue Code, or (iv) a direct rollover distribution
27 made in accordance with section 401(a)(31) of the Internal Revenue

1 Code.

2 (c) The value of the member's forfeited employer account
3 or employer cash balance account, as of the date of forfeiture,
4 shall be restored in a ratio equal to the amount of the benefit
5 that the member has repaid divided by the termination benefit
6 received. The employer account or employer cash balance account
7 shall be restored first out of the current forfeiture amounts and
8 then by additional employer contributions.

9 (3) For a member who retired pursuant to section 23-2315
10 and becomes a permanent full-time employee or permanent part-time
11 employee with a county under the County Employees Retirement Act
12 more than one hundred twenty days after his or her retirement
13 date, the member shall continue receiving retirement benefits. Such
14 a retired member or a retired member who received a lump-sum
15 distribution of his or her benefit shall be considered a new
16 employee as of the date of reemployment and shall not receive
17 credit for any service prior to the member's retirement for
18 purposes of the act.

19 (4) A member who is reinstated as an employee pursuant to
20 a grievance or appeal of his or her termination by the county shall
21 be a member upon reemployment and shall not be considered to have
22 a break in service for such period of time that the grievance or
23 appeal was pending. Following reinstatement, the member shall repay
24 the value of the amount received from his or her employee account
25 or member cash balance account under subdivision (2)(b) of section
26 23-2319.01.

27 Sec. 42. Section 81-2026, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 81-2026 (1)(a) Any officer qualified for an annuity as
3 provided in section 81-2025 for reasons other than disability
4 shall be entitled to receive a monthly annuity for the remainder
5 of the officer's life. The annuity payments shall continue until
6 the end of the calendar month in which the officer dies. The
7 amount of the annuity shall be a percentage of the officer's
8 final average monthly compensation. For retirement on or after the
9 fifty-fifth birthday of the member or on or after the fiftieth
10 birthday of a member who has been in the employ of the state for
11 twenty-five years, as calculated in section 81-2033, the percentage
12 shall be three percent multiplied by the number of years of
13 creditable service, as calculated in section 81-2033, except that
14 the percentage shall never be greater than seventy-five percent.

15 (b) For retirement pursuant to subsection (2) of section
16 81-2025 on or after the fiftieth birthday of the member but prior
17 to the fifty-fifth birthday of the member who has been in the
18 employ of the state for less than twenty-five years, as calculated
19 in section 81-2033, the annuity which would apply if the member
20 were age fifty-five at the date of retirement shall be reduced
21 by five-ninths of one percent for each month by which the early
22 retirement date precedes age fifty-five or for each month by which
23 the early retirement date precedes the date upon which the member
24 has served for twenty-five years, whichever is earlier. Any officer
25 who has completed thirty years of creditable service with the
26 Nebraska State Patrol shall have retirement benefits computed as if
27 the officer had reached age fifty-five.

1 (c) For purposes of this computation, final average
2 monthly compensation shall mean the sum of the officer's total
3 compensation during the three twelve-month periods of service as
4 an officer in which compensation was the greatest divided by
5 thirty-six, and for any officer employed on or before January
6 4, 1979, the officer's total compensation shall include payments
7 received for unused vacation and sick leave accumulated during the
8 final three years of service.

9 (2) Any officer qualified for an annuity as provided
10 in section 81-2025 for reasons of disability shall be entitled
11 to receive a monthly annuity for the remainder of the period
12 of disablement as provided in sections 81-2028 to 81-2030. The
13 amount of the annuity shall be fifty percent of the officer's
14 monthly compensation at the date of disablement if the officer
15 has completed seventeen or fewer years of creditable service. If
16 the officer has completed more than seventeen years of creditable
17 service, the amount of the annuity shall be three percent of the
18 final monthly compensation at the date of disablement multiplied
19 by the total years of creditable service but not to exceed
20 seventy-five percent of the final average monthly compensation as
21 defined in subsection (1) of this section. The date of disablement
22 shall be the date on which the benefits as provided in section
23 81-2028 have been exhausted.

24 (3) Upon the death of an officer after retirement for
25 reasons other than disability, benefits shall be provided as a
26 percentage of the amount of the officer's annuity, calculated as
27 follows:

1 (a) If there is a surviving spouse but no dependent
2 child or children of the officer under nineteen years of age,
3 the surviving spouse shall receive a benefit equal to seventy-five
4 percent of the amount of the officer's annuity for the remainder
5 of the surviving spouse's life; ~~or until the surviving spouse~~
6 ~~remarries;~~

7 (b) If there is a surviving spouse and the surviving
8 spouse has in his or her care a dependent child or children of the
9 officer under nineteen years of age and there is no other dependent
10 child or children of the officer not in the care of the surviving
11 spouse under nineteen years of age, the benefit shall be equal
12 to one hundred percent of the officer's annuity. When there is no
13 remaining dependent child of the officer under nineteen years of
14 age, the benefit shall be seventy-five percent of the amount of the
15 officer's annuity to the surviving spouse for the remainder of the
16 surviving spouse's life; ~~or until the surviving spouse remarries;~~

17 (c) If there is a surviving spouse and the surviving
18 spouse has in his or her care a dependent child or children of the
19 officer under nineteen years of age or there is another dependent
20 child or children of the officer under nineteen years of age not in
21 the care of the surviving spouse, the benefit shall be twenty-five
22 percent of the amount of the officer's annuity to the surviving
23 spouse and seventy-five percent of the amount of the officer's
24 annuity to the dependent children of the officer under nineteen
25 years of age to be divided equally among such dependent children
26 but in no case shall the benefit received by a surviving spouse
27 and dependent children residing with such spouse be less than fifty

1 percent of the amount of the officer's annuity. At such time as
2 any dependent child of the officer attains nineteen years of age,
3 the benefit shall be divided equally among the remaining dependent
4 children of the officer who have not yet attained nineteen years
5 of age. When there is no remaining dependent child of the officer
6 under nineteen years of age, the benefit shall be seventy-five
7 percent of the amount of the officer's annuity to the surviving
8 spouse for the remainder of the surviving spouse's life; ~~or until~~
9 ~~the surviving spouse remarries;~~

10 (d) If there is no surviving spouse and a dependent child
11 or children of the officer under nineteen years of age, the benefit
12 shall be equal to seventy-five percent of the officer's annuity
13 to the dependent children of the officer under nineteen years of
14 age to be divided equally among such dependent children. At such
15 time as any dependent child of the officer attains nineteen years
16 of age, the benefit shall be divided equally among the remaining
17 dependent children of the officer who have not yet attained
18 nineteen years of age; and

19 (e) If there is no surviving spouse or no dependent child
20 or children of the officer under nineteen years of age, the amount
21 of benefit such officer has received under the Nebraska State
22 Patrol Retirement Act shall be computed. If such amount is less
23 than the contributions to the State Patrol Retirement Fund made by
24 such officer, plus regular interest, the difference shall be paid
25 to the officer's designated beneficiary or estate.

26 (4) Upon the death of an officer after retirement for
27 reasons of disability, benefits shall be provided as if the officer

1 had retired for reasons other than disability.

2 (5) Upon the death of an officer before retirement,
3 benefits shall be provided as if the officer had retired for
4 reasons of disability on the date of such officer's death,
5 calculated as follows:

6 (a) If there is a surviving spouse but no dependent
7 child or children of the officer under nineteen years of age,
8 the surviving spouse shall receive a benefit equal to seventy-five
9 percent of the amount of the officer's annuity for the remainder
10 of the surviving spouse's life; ~~or until the surviving spouse~~
11 ~~remarries;~~

12 (b) If there is a surviving spouse and the surviving
13 spouse has in his or her care a dependent child or children of the
14 officer under nineteen years of age and there is no other dependent
15 child or children of the officer not in the care of the surviving
16 spouse under nineteen years of age, the benefit shall be equal
17 to one hundred percent of the officer's annuity. When there is no
18 remaining dependent child of the officer under nineteen years of
19 age, the benefit shall be seventy-five percent of the amount of the
20 officer's annuity to the surviving spouse for the remainder of the
21 surviving spouse's life; ~~or until the surviving spouse remarries;~~

22 (c) If there is a surviving spouse and the surviving
23 spouse has in his or her care a dependent child or children of the
24 officer under nineteen years of age or there is another dependent
25 child or children of the officer under nineteen years of age not in
26 the care of the surviving spouse, the benefit shall be twenty-five
27 percent of the amount of the officer's annuity to the surviving

1 spouse and seventy-five percent of the amount of the officer's
2 annuity to the dependent children of the officer under nineteen
3 years of age to be divided equally among such dependent children
4 but in no case shall the benefit received by a surviving spouse
5 and dependent children residing with such spouse be less than fifty
6 percent of the amount of the officer's annuity. At such time as
7 any dependent child of the officer attains nineteen years of age,
8 the benefit shall be divided equally among the remaining dependent
9 children of the officer who have not yet attained nineteen years
10 of age. When there is no remaining dependent child of the officer
11 under nineteen years of age, the benefit shall be seventy-five
12 percent of the amount of the officer's annuity to the surviving
13 spouse for the remainder of the surviving spouse's life; ~~or until~~
14 ~~the surviving spouse remarries;~~

15 (d) If there is no surviving spouse and a dependent child
16 or children of the officer under nineteen years of age, the benefit
17 shall be equal to seventy-five percent of the officer's annuity
18 to the dependent children of the officer under nineteen years of
19 age to be divided equally among such dependent children. At such
20 time as any dependent child of the officer attains nineteen years
21 of age, the benefit shall be divided equally among the remaining
22 dependent children of the officer who have not yet attained
23 nineteen years of age; and

24 (e) If no benefits are paid to a surviving spouse or
25 dependent child or children of the officer, benefits will be paid
26 as described in subsection (1) of section 81-2031.

27 (6) Any changes made to this section by Laws 2004, LB

1 1097, shall apply only to retirements, disabilities, and deaths
2 occurring on or after July 16, 2004.

3 Sec. 46. Section 84-1309.02, Revised Statutes Cumulative
4 Supplement, 2010, is amended to read:

5 84-1309.02 (1) It is the intent of the Legislature that,
6 in order to improve the competitiveness of the retirement plan for
7 state employees, a cash balance benefit shall be added to the State
8 Employees Retirement Act on and after January 1, 2003. Each member
9 who is employed and participating in the retirement system prior
10 to January 1, 2003, may either elect to continue participation
11 in the defined contribution benefit as provided in the act prior
12 to January 1, 2003, or elect to participate in the cash balance
13 benefit as set forth in this section. The member shall make the
14 election prior to January 1, 2003, or on or after November 1, 2007,
15 but before January 1, 2008. If no election is made prior to January
16 1, 2003, or on or after November 1, 2007, but before January 1,
17 2008, the member shall be treated as though he or she elected
18 to continue participating in the defined contribution benefit as
19 provided in the act prior to January 1, 2003. Members who elect
20 to participate in the cash balance benefit on or after November
21 1, 2007, but before January 1, 2008, shall commence participation
22 in the cash balance benefit on January 1, 2008. Any member who
23 made the election prior to January 1, 2003, does not have to
24 reelect the cash balance benefit on or after November 1, 2007,
25 but before January 1, 2008. A member employed and participating
26 in the retirement system prior to January 1, 2003, who terminates
27 employment on or after January 1, 2003, and returns to employment

1 prior to having a five-year break in service shall participate in
2 the cash balance benefit as set forth in this section.

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

9 (a) The Except as provided in subdivision (2)(b) of
10 section 84-1321.01, the employee cash balance account shall, at any
11 time, be equal to the following:

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

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

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

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

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

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

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

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

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

5 (3) In order to carry out the provisions of this section,
6 the board may enter into administrative services agreements for
7 accounting or record-keeping services. No agreement shall be
8 entered into unless the board determines that it will result
9 in administrative economy and will be in the best interests of
10 the state and its participating employees. The board may develop
11 a schedule for the allocation of the administrative services
12 agreements costs for accounting or record-keeping services and may
13 assess the costs so that each member pays a reasonable fee as
14 determined by the board.

15 Sec. 47. Section 84-1313.02, Revised Statutes Cumulative
16 Supplement, 2010, is amended to read:

17 84-1313.02 The retirement system may transfer ~~deferred~~
18 ~~compensation by a member as a plan-to-plan transfer~~ any
19 distribution of benefits to a member which is an eligible rollover
20 distribution as defined in section 84-1312 in a direct rollover to
21 the deferred compensation plan authorized under section 84-1504 if
22 the following conditions are met:

23 (1) The member has an amount of compensation deferred
24 immediately after the ~~transfer~~ rollover at least equal to the
25 amount of compensation deferred immediately before the ~~transfer~~;
26 rollover;

27 (2) The account of the member is valued as of the date of

1 final account value;

2 (3) The member is not eligible for additional annual
3 deferrals in the receiving plan unless the member is performing
4 services for the state; and

5 (4) The deferred compensation plan provides for such
6 ~~transfers~~ rollovers.

7 Sec. 49. Section 84-1322, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 84-1322 (1) Except as otherwise provided in this section,
10 a member of the retirement system who has a five-year break in
11 service shall upon reemployment be considered a new employee with
12 respect to the State Employees Retirement Act and shall not receive
13 credit for service prior to his or her reemployment date.

14 (2) (a) A member who ceases to be an employee before
15 becoming eligible for retirement under section 84-1317 and again
16 becomes a permanent full-time or permanent part-time state employee
17 prior to having a five-year break in service shall immediately
18 be reenrolled in the retirement system and resume making
19 contributions. For purposes of vesting employer contributions
20 made prior to and after reentry into the retirement system
21 under subsection (3) of section 84-1321, years of participation
22 include years of participation prior to such employee's original
23 termination. For a member who is not vested and has received a
24 termination benefit pursuant to section 84-1321, the years of
25 participation prior to such employee's original termination shall
26 be limited in a ratio equal to the amount that the member repays
27 divided by the termination benefit withdrawn pursuant to section

1 84-1321. This subsection shall apply whether or not the person was
2 a state employee on April 20, 1986, or July 17, 1986.

3 (b) The reemployed member may repay the value of, or a
4 portion of the value of, the termination benefit withdrawn pursuant
5 to section 84-1321. A reemployed member who elects to repay all
6 or a portion of the value of the termination benefit withdrawn
7 pursuant to section 84-1321 shall repay the actual earnings on
8 such value. Repayment of the termination benefit shall commence
9 within three years after reemployment and shall be completed
10 within five years after reemployment or prior to termination of
11 employment, whichever occurs first, through (i) direct payments to
12 the retirement system, (ii) installment payments made pursuant to
13 a binding irrevocable payroll deduction authorization made by the
14 member, (iii) an eligible rollover distribution as provided under
15 the Internal Revenue Code, or (iv) a direct rollover distribution
16 made in accordance with section 401(a)(31) of the Internal Revenue
17 Code.

18 (c) The value of the member's forfeited employer account
19 or employer cash balance account, as of the date of forfeiture,
20 shall be restored in a ratio equal to the amount of the benefit
21 that the member has repaid divided by the termination benefit
22 received. The employer account or employer cash balance account
23 shall be restored first out of the current forfeiture amounts and
24 then by additional employer contributions.

25 (3) For a member who retired pursuant to section 84-1317
26 and becomes a permanent full-time employee or permanent part-time
27 employee with the state more than one hundred twenty days after

1 his or her retirement date, the member shall continue receiving
2 retirement benefits. Such a retired member or a retired member who
3 received a lump-sum distribution of his or her benefit shall be
4 considered a new employee as of the date of reemployment and shall
5 not receive credit for any service prior to the member's retirement
6 for purposes of the act.

7 (4) A member who is reinstated as an employee pursuant to
8 a grievance or appeal of his or her termination by the state shall
9 be a member upon reemployment and shall not be considered to have
10 a break in service for such period of time that the grievance or
11 appeal was pending. Following reinstatement, the member shall repay
12 the value of the amount received from his or her employee account
13 or member cash balance account under subdivision (2)(b) of section
14 84-1321.01.

15 2. On page 17, line 6, strike "(2)", show as stricken,
16 and insert "(2)(a)"; in line 10 strike "any" and insert ", except
17 as provided in subdivision (b) of this subsection,"; and after line
18 12 insert the following new subdivision:

19 "(b) If a member elects to receive benefits payable under
20 sections 23-2315 and 23-2319 after a grievance or appeal is filed,
21 the member may receive an amount up to the balance of his or
22 her employee account or member cash balance account or twenty-five
23 thousand dollars payable from the employee account or member cash
24 balance account, whichever is less.".

25 3. On page 42, line 19, strike the semicolon, show as
26 stricken, and insert an underscored period; and after line 19
27 insert the following new subdivisions:

1 "(e) (i) In the determination of compensation for members
2 on or after July 1, 2012, until July 1, 2013, that part of a
3 member's compensation for the plan year which exceeds the member's
4 compensation with the same employer for the preceding plan year by
5 more than nine percent of the compensation base during the sixty
6 months preceding the member's retirement shall be excluded.

7 (ii) For purposes of this subdivision:

8 (A) Category of school employee means either all
9 employees of the employer who are administrators or certificated
10 teachers, or all employees of the employer who are not
11 administrators or certificated teachers, or both; and

12 (B) Compensation base means (I) for current members
13 employed with the same employer, the member's compensation for the
14 plan year ending June 30, 2012, or (II) for members newly hired or
15 hired by a separate employer on or after July 1, 2012, the member's
16 compensation for the first full plan year following the member's
17 date of hiring. Thereafter, the member's compensation base shall
18 be increased each plan year by the lesser of nine percent of the
19 member's preceding plan year's compensation base or the member's
20 actual annual compensation increase during the preceding plan year.

21 (f) (i) In the determination of compensation for members
22 on or after July 1, 2013, that part of a member's compensation for
23 the plan year which exceeds the member's compensation with the same
24 employer for the preceding plan year by more than eight percent
25 of the compensation base during the sixty months preceding the
26 member's retirement shall be excluded.

27 (ii) For purposes of this subdivision:

1 (A) Category of school employee means either all
2 employees of the employer who are administrators or certificated
3 teachers, or all employees of the employer who are not
4 administrators or certificated teachers, or both; and

5 (B) Compensation base means (I) for current members
6 employed with the same employer, the member's compensation for the
7 plan year ending June 30, 2013, or (II) for members newly hired
8 or hired by a separate employer on or after July 1, 2013, the
9 member's compensation for the first full plan year following the
10 member's date of hiring. Thereafter, the member's compensation base
11 shall be increased each plan year by the lesser of eight percent
12 of the member's preceding plan year's compensation base or the
13 member's actual annual compensation increase during the preceding
14 plan year;".

15 4. On page 68, lines 11 through 25; page 69, lines 1
16 through 16 and 20 through 25; page 70, lines 1, 2, 9, and 19
17 through 25; page 71, lines 1 through 10 and 21; page 72, line 16;
18 page 84, line 18; and page 94, line 8, strike the new matter and
19 reinstate the stricken matter.

20 5. On page 106, line 16, after the comma insert "except
21 that if the contributory retirement plan or contract let pursuant
22 to section 48-609 is terminated, such employees shall become
23 employees for purposes of the State Employees Retirement Act on the
24 first day of the first pay period following the termination of such
25 contributory retirement plan or contract," and strike beginning
26 with "the" through "(h)" in line 17 and show as stricken; in line
27 19 strike "(i)", show as stricken, and insert "(h)"; and in line 20

1 strike "(j)", show as stricken, and insert "(i)".

2 6. On page 107, line 2, strike "(k)", show as stricken,
3 and insert "(j)".

4 7. On page 113, line 14, strike "(5)", show as stricken,
5 and insert "(5)(a)"; and after line 22 insert the following new
6 subdivision:

7 "(b) If the contributory retirement plan or contract
8 let pursuant to section 48-609 is terminated, employees of
9 the Department of Labor who are active participants in such
10 contributory retirement plan or contract on the date of termination
11 of such plan or program shall be granted vesting credit for their
12 years of participation in such plan or contract.".

13 8. On page 115, line 7, strike "(2)", show as stricken,
14 and insert "(2)(a)"; in line 11 strike "any transaction" and insert
15 ", except as provided in subdivision (b) of this subsection,
16 transactions"; and after line 13 insert the following new
17 subdivision:

18 "(b) If a member elects to receive benefits payable under
19 sections 84-1317 and 84-1321 after a grievance or appeal is filed,
20 the member may receive an amount up to the balance of his or
21 her employee account or member cash balance account or twenty-five
22 thousand dollars payable from the employee account or member cash
23 balance account, whichever is less.".

24 9. Renumber the remaining sections and correct the
25 repealer and internal references accordingly.