

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1082

Introduced by Karpisek, 32.

Read first time January 18, 2012

Committee: Nebraska Retirement Systems

A BILL

1 FOR AN ACT relating to retirement; to amend sections 16-1001,
2 16-1002, 16-1003, 16-1004, 16-1005, 16-1006, 16-1007,
3 16-1009, 16-1010, 16-1012, 16-1013, 16-1014, 16-1015,
4 16-1016, 16-1019, and 18-1221, Reissue Revised Statutes
5 of Nebraska, sections 13-520 and 18-1723, Revised
6 Statutes Cumulative Supplement, 2010, and sections
7 16-1017 and 77-3442, Revised Statutes Supplement, 2011;
8 to name the Police Officers Retirement Act and to change
9 provisions relating to participation, vesting, employee
10 and employer contributions, and tax levies; to eliminate
11 obsolete provisions; to harmonize provisions; and to
12 repeal the original sections.

13 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-520, Revised Statutes Cumulative
2 Supplement, 2010, is amended to read:

3 13-520 The limitations in section 13-519 shall not apply
4 to (1) restricted funds budgeted for capital improvements, (2)
5 restricted funds expended from a qualified sinking fund for
6 acquisition or replacement of tangible personal property with a
7 useful life of five years or more, (3) restricted funds pledged to
8 retire bonded indebtedness, used by a public airport to retire
9 interest-free loans from the Department of Aeronautics in lieu of
10 bonded indebtedness at a lower cost to the public airport, or used to
11 pay other financial instruments that are approved and agreed to
12 before July 1, 1999, in the same manner as bonds by a governing body
13 created under section 35-501, (4) restricted funds budgeted in
14 support of a service which is the subject of an agreement or a
15 modification of an existing agreement whether operated by one of the
16 parties to the agreement or by an independent joint entity or joint
17 public agency, (5) restricted funds budgeted to pay for repairs to
18 infrastructure damaged by a natural disaster which is declared a
19 disaster emergency pursuant to the Emergency Management Act, (6)
20 restricted funds budgeted to pay for judgments, except judgments or
21 orders from the Commission of Industrial Relations, obtained against
22 a governmental unit which require or obligate a governmental unit to
23 pay such judgment, to the extent such judgment is not paid by
24 liability insurance coverage of a governmental unit, (7) the dollar
25 amount by which restricted funds budgeted by a natural resources

1 district to administer and implement ground water management
2 activities and integrated management activities under the Nebraska
3 Ground Water Management and Protection Act exceed its restricted
4 funds budgeted to administer and implement ground water management
5 activities and integrated management activities for FY2003-04, ~~or~~ (8)
6 restricted funds budgeted to pay for the reassumption of the
7 assessment function pursuant to section 77-1340 or 77-1340.04 in
8 fiscal years 2010-11 through 2013-14, or (9) for fiscal years XXXX-XX
9 through XXXX-XX, restricted funds budgeted to pay for the XX-percent
10 increase in contribution rate under subdivision (1)(a) of section
11 16-1005 and subsection (1) of section 16-1006, pursuant to this
12 legislative bill, and the XX-percent increase in contribution rate
13 under subdivision (1)(b) of section 16-1005 and subsection (2) of
14 section 16-1006, pursuant to this legislative bill.

15 Sec. 2. Section 16-1001, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 16-1001 Sections 16-1001 to 16-1019 shall be known and
18 may be cited as the Police Officers Retirement Act and shall apply to
19 all police officers of a city of the first class.

20 Sec. 3. Section 16-1002, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 16-1002 For purposes of ~~sections 16-1001 to 16-1019,~~ the
23 Police Officers Retirement Act, unless the context otherwise
24 requires:

25 (1) Actuarial equivalent ~~shall mean~~ means equality in

1 value of the aggregate amount of benefit expected to be received
2 under different forms of benefit or at different times determined as
3 of a given date as adopted by the city or the retirement committee
4 for use by the retirement system. Actuarial equivalencies ~~shall be~~
5 are specified in the funding medium established for the retirement
6 system, except that if benefits under the retirement system are
7 obtained through the purchase of an annuity contract, the actuarial
8 equivalent of any such form of benefit ~~shall be~~ is the amount of
9 pension benefit which can be purchased or otherwise provided by the
10 police officer's retirement value. All actuarial and mortality
11 assumptions adopted by the city or retirement committee ~~shall be~~ are
12 on a sex-neutral basis;

13 (2) Beneficiary ~~shall mean~~ means the person or persons
14 designated by a police officer, pursuant to a written instrument
15 filed with the retirement committee before the police officer's
16 death, to receive death benefits which may be payable under the
17 retirement system;

18 (3) Funding agent ~~shall mean~~ means any bank, trust
19 company, life insurance company, thrift institution, credit union, or
20 investment management firm selected by the city or retirement
21 committee to hold or invest the funds of the retirement system;

22 (4) Regular interest ~~shall mean~~ means the rate of
23 interest earned each calendar year ~~commencing January 1, 1984,~~ equal
24 to the rate of net earnings realized for the calendar year from
25 investments of the retirement fund. Net earnings ~~shall mean~~ means the

1 amount by which income or gain realized from investments of the
2 retirement fund exceeds the amount of any realized losses from such
3 investments during the calendar year;

4 (5) Regular pay ~~shall mean the average salary of a police~~
5 ~~officer for the five years preceding the date such police officer~~
6 ~~elects to retire, the five years preceding his or her death, or the~~
7 ~~five years preceding the date of disability, whichever is earliest,~~
8 ~~except that for any police officer who retires, dies, or becomes~~
9 ~~disabled after July 15, 1992, regular pay shall mean~~ means the
10 average salary of the police officer for the period of five
11 consecutive years preceding ~~such~~ elective retirement, death, or date
12 of disability which produces the highest average;

13 (6) Salary ~~shall mean~~ means all amounts paid to a
14 participating police officer by the employing city for personal
15 services as reported on the participant's federal income tax
16 withholding statement, including the police officer's contributions
17 picked up by the city as provided in subsection (2) of section
18 16-1005 and any salary reduction contributions which are excludable
19 from income for federal income tax purposes pursuant to section 125
20 or 457 of the Internal Revenue Code;

21 (7) Retirement committee ~~shall mean~~ means the retirement
22 committee created pursuant to section 16-1014;

23 (8) Retirement system ~~shall mean~~ means a retirement
24 system established pursuant to ~~sections 16-1001 to 16-1019;~~ the act;

25 (9) Retirement value ~~shall mean~~ means the accumulated

1 value of the police officer's employee account and employer account.
2 The retirement value ~~shall consist~~ consists of the sum of the
3 contributions made or transferred to such accounts by the police
4 officer and by the city on the police officer's behalf and the
5 regular interest credited to the accounts as of the date of
6 computation, reduced by any realized losses which were not taken into
7 account in determining regular interest in any year, and further
8 adjusted each year to reflect the pro rata share for the accounts of
9 the appreciation or depreciation of the fair market value of the
10 assets of the retirement system as determined by the retirement
11 committee. The retirement value ~~shall be~~ is reduced by the amount of
12 all distributions made to or on the behalf of the police officer from
13 the retirement system. Such valuation ~~shall be~~ is computed annually
14 as of December 31. If separate investment accounts are established
15 pursuant to subsection (3) of section 16-1004, a police officer's
16 retirement value with respect to such accounts ~~shall be~~ is equal to
17 the value of his or her separate investment accounts as determined
18 under such subsection;

19 (10) Annuity contract ~~shall mean~~ means the contract or
20 contracts issued by one or more life insurance companies and
21 purchased by the retirement system in order to provide any of the
22 benefits described in ~~sections 16-1001 to 16-1019.~~ the act. Annuity
23 conversion rates contained in any such contract ~~shall be~~ are
24 specified on a sex-neutral basis; and

25 (11) Straight life annuity ~~shall mean~~ means an ordinary

1 annuity payable for the life of the primary annuitant only and
2 terminating at his or her death without refund or death benefit of
3 any kind.

4 Sec. 4. Section 16-1003, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 16-1003 A police officer shall be credited with all years
7 of his or her service after the year 1965 for the purpose of
8 determining vested retirement benefits under ~~sections 16-1001 to~~
9 ~~16-1019.~~ the Police Officers Retirement Act.

10 Sec. 5. Section 16-1004, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 16-1004 (1) ~~Commencing on January 1, 1984, each~~ Each city
13 of the first class shall keep and maintain a Police Officers
14 Retirement System Fund for the purpose of investing payroll
15 deductions and city contributions to the retirement system. The fund
16 shall be maintained separate and apart from all city money and funds.
17 The fund shall be administered under the direction of the city and
18 the retirement committee exclusively for the purposes of the
19 retirement system and for the benefit of participating police
20 officers and their beneficiaries. The fund shall be established as a
21 trust under the laws of this state for all purposes of section 401(a)
22 of the Internal Revenue Code. ~~Upon the passage of sections 16-1001 to~~
23 ~~16-1019 all of the contributions made by a police officer prior to~~
24 ~~January 1, 1984, will be transferred to the police officer's employee~~
25 ~~account without interest unless the city, at the time of the~~

1 ~~transfer, credited interest on such contributions.~~ Regular interest
2 shall ~~begin to accrue on the any~~ contributions transferred into the
3 fund. ~~from January 1, 1984.~~ Such funds shall be invested in the
4 manner prescribed in section 16-1016.

5 (2) The city shall establish a medium for funding of the
6 retirement system, which may be a pension trust fund, custodial
7 account, group annuity contract, or combination thereof, for the
8 purpose of investing money for the retirement system in the manner
9 prescribed by section 16-1016 and to provide the retirement, death,
10 and disability benefits for police officers pursuant to ~~sections~~
11 ~~16-1001 to 16-1019.~~ the Police Officers Retirement Act. The trustee
12 or custodian of any trust fund may be a designated funding agent
13 which is qualified to act as a fiduciary or custodian in this state,
14 the city treasurer, a city officer authorized to administer funds of
15 the city, or a combination thereof.

16 (3) Upon direction of the city, there may be established
17 separate investment accounts for each participating police officer
18 for the purpose of allowing each police officer to direct the
19 investment of all or a portion of his or her employee account or
20 employer account subject to the requirements of section 16-1016 and
21 any other rules or limitations that may be established by the city or
22 the retirement committee. If separate investment accounts are
23 established, each account shall be separately invested and
24 reinvested, separately credited with all earnings and gains with
25 respect to the investment of the assets of the investment account,

1 and separately debited with the losses of the account. Each
2 investment account shall be adjusted each year to reflect the
3 appreciation or depreciation of the fair market value of the assets
4 held in such account as determined by the retirement committee. The
5 expenses incurred by the retirement system when a police officer
6 directs the investment of all or a portion of his or her individual
7 investment account shall be charged against the police officer's
8 investment account and shall reduce the police officer's retirement
9 value.

10 Sec. 6. Section 16-1005, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 16-1005 ~~(1) Each~~ (1)(a) Commencing XXXX, and until XXXX,
13 each police officer participating in the retirement system shall
14 contribute to the retirement system a sum equal to ~~six~~ XX percent of
15 his or her salary. Such payment shall be made by regular payroll
16 deductions from his or her periodic salary and shall be credited to
17 his or her employee account on a monthly basis. Each such account
18 shall also be credited with regular interest.

19 (b) Commencing XXXX, each police officer shall contribute
20 to the retirement system a sum equal to XX percent of his or her
21 salary. Such payment shall be made by regular payroll deductions from
22 his or her periodic salary and shall be credited to his or her
23 employee account on a monthly basis. Each such account shall also be
24 credited with regular interest.

25 (2) Each city of the first class ~~with police officers~~

1 ~~participating in a retirement system established pursuant to sections~~
2 ~~16-1001 to 16-1019~~ shall pick up the police officers' contributions
3 required by subsection (1) of this section ~~for all compensation paid~~
4 ~~on or after January 1, 1984,~~ and the contributions so picked up shall
5 be treated as employer contributions in determining federal tax
6 treatment under the Internal Revenue Code, except that the city shall
7 continue to withhold federal income taxes based upon these
8 contributions until the Internal Revenue Service or the federal
9 courts rule that, pursuant to section 414(h) of the Internal Revenue
10 Code, these contributions shall not be included as gross income of
11 the employee until such time as they are distributed from the
12 retirement system. The city shall pay these employee contributions
13 from the same source of funds which is used in paying earnings to the
14 employee. The city shall pick up these contributions by a salary
15 deduction either through a reduction in the cash salary of the
16 employee or a combination of a reduction in salary and offset against
17 a future salary increase. A police officer shall not be given an
18 option to choose to receive the amount of the required contribution
19 in lieu of having such contribution paid directly to the retirement
20 system.

21 (3) Each police officer ~~participating in the retirement~~
22 ~~system~~ shall be entitled to make voluntary cash contributions to the
23 retirement system in an amount not to exceed the contribution
24 limitations established by the Internal Revenue Code. Voluntary
25 contributions shall be credited to the police officer's employee

1 account and shall thereafter be credited with regular interest. A
2 police officer's voluntary contribution shall become a part of the
3 Police Officers Retirement System Fund and shall be held,
4 administered, invested, and distributed in the same manner as any
5 other employee contribution to the retirement system.

6 Sec. 7. Section 16-1006, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 16-1006 (1) Beginning January 1, 1984, XXXX, and until
9 XXXX, each city of the first class with police officers participating
10 in a retirement system shall contribute to the retirement system a
11 sum equal to six-XX percent of each such participating police
12 officer's periodic salary. Such payment shall be contributed as
13 provided in subsection (1) subdivision (1)(a) of section 16-1005 for
14 employee contributions and shall be credited to his or her employer
15 account on a monthly basis. Each such account shall also be credited
16 with regular interest. The city shall also contribute to the employer
17 account of any police officer employed by the city on January 1,
18 1984, an amount equal to the employee contributions of such police
19 officer that were made to the city prior to January 1, 1984, without
20 interest, with such contribution to be made at the time the police
21 officer retires or terminates employment with the city. The city may
22 contribute such amount before the police officer's retirement or
23 termination of employment or credit interest on such contribution.

24 (2) Beginning XXXX, each city of the first class shall
25 contribute to the retirement system a sum equal to XX percent of each

1 such police officer's periodic salary. Such payment shall be
2 contributed as provided in subdivision (1)(b) of section 16-1005 for
3 employee contributions and shall be credited to his or her employer
4 account on a monthly basis. Each such account shall also be credited
5 with regular interest. The city shall also contribute to the employer
6 account of any police officer employed by the city on January 1,
7 1984, an amount equal to the employee contributions of such police
8 officer that were made to the city prior to January 1, 1984, without
9 interest, with such contribution to be made at the time the police
10 officer retires or terminates employment with the city. The city may
11 contribute such amount before the police officer's retirement or
12 termination of employment or credit interest on such contribution.

13 Sec. 8. Section 16-1007, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 16-1007 (1) At any time before the retirement date, the
16 retiring police officer may elect to receive at his or her retirement
17 date a pension benefit either in the form of a straight life annuity
18 or any optional form of annuity benefit established by the retirement
19 committee and provided under a purchased annuity contract. The
20 optional annuity benefit shall be specified in the funding medium for
21 the retirement system and shall include a straight life annuity with
22 a guarantee of at least sixty monthly payments or an annuity payable
23 for the life of the retiring police officer and, after the death of
24 the retiree, monthly payments, as elected by the retiring police
25 officer, of either one hundred percent, seventy-five percent, or

1 fifty percent of the amount of annuity payable to the retiring police
2 officer during his or her life, to the beneficiary selected by the
3 retiring police officer at the time of the original application for
4 an annuity. ~~For any police officer whose retirement date is on or~~
5 ~~after January 1, 1997, the~~ The optional benefit forms for the
6 retirement system shall include a single lump-sum payment of the
7 police officer's retirement value. ~~For police officers whose~~
8 ~~retirement date is prior to January 1, 1997, a single lump sum~~
9 ~~payment shall be available only if the city has adopted such~~
10 ~~distribution option in the funding medium established for the~~
11 ~~retirement system.~~ The retiring police officer may further elect to
12 defer the date of the first annuity payment or lump-sum payment to
13 the first day of any specified month prior to age seventy. If the
14 retiring police officer elects to receive his or her pension benefit
15 in the form of an annuity, the amount of annuity benefit shall be the
16 amount paid by the annuity contract purchased or otherwise provided
17 by his or her retirement value as of the date of the first payment.
18 Any such annuity contract purchased by the retirement system may be
19 distributed to the police officer and, upon such distribution, all
20 obligations of the retirement system to pay retirement, death, or
21 disability benefits to the police officer and his or her
22 beneficiaries shall terminate, without exception.

23 (2) For all officers employed on January 1, 1984, and
24 continuously employed by the city from such date through the date of
25 their retirement, the amount of the pension benefit, when determined

1 on the straight life annuity basis, shall not be less than the
2 following amounts:

3 (a) If retirement occurs following age sixty and with
4 twenty-five years of service with the city, ~~or twenty-one years of~~
5 ~~service if hired prior to November 18, 1965,~~ fifty percent of regular
6 pay; or

7 (b) If retirement occurs following age fifty-five but
8 before age sixty and with twenty-five years of service with the city,
9 forty percent of regular pay.

10 A police officer entitled to a minimum pension benefit
11 under this subsection may elect to receive such pension benefit in
12 any form permitted by subsection (1) of this section, including a
13 single lump-sum payment., ~~if the officer retires on or after January~~
14 ~~1, 1997, or if the city has adopted a lump-sum distribution option~~
15 ~~for officers retiring before January 1, 1997, in the funding medium~~
16 ~~for the retirement system.~~ If the minimum pension benefit is paid in
17 a form other than a straight life annuity, such benefit shall be the
18 actuarial equivalent of the straight life annuity that would
19 otherwise be paid to the officer pursuant to this subsection.

20 If the police officer chooses the single lump-sum payment
21 option, the officer can request that the actuarial equivalent be
22 equal to the average of the cost of three annuity contracts purchased
23 on the open market. Of the three annuity contracts used for
24 comparison, one shall be chosen by the police officer, one shall be
25 chosen by the retirement committee, and one shall be chosen by the

1 city.

2 (3) If the retirement value of an officer entitled to a
3 minimum pension benefit under subsection (2) of this section is not
4 sufficient at the time of the first payment to purchase or provide
5 the required pension benefit, the city shall transfer such funds as
6 may be necessary to the employer account of the police officer so
7 that the retirement value of such officer is sufficient to purchase
8 or provide for the required pension benefit.

9 (4) Any retiring police officer whose pension benefit is
10 less than twenty-five dollars per month on the straight life annuity
11 option shall be paid a lump-sum settlement equal to the retirement
12 value and shall not be entitled to elect to receive annuity benefits.

13 Sec. 9. Section 16-1009, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 16-1009 (1) When prior to retirement any police officer
16 ~~participating in the retirement system~~ dies other than in the line of
17 duty and except as provided in subsection (2) of this section, the
18 entire retirement value shall be payable to the beneficiary or
19 beneficiaries specified by the deceased police officer prior to his
20 or her death or to the deceased police officer's estate if no
21 beneficiary was specified. The retirement value or portion thereof to
22 be received by the beneficiary may be paid in the form of a single
23 lump-sum payment, straight life annuity, or other optional form of
24 benefit specified in the retirement system's funding medium. If
25 benefits are paid in the form of an annuity, the annuity shall be the

1 amount paid by the annuity contract purchased or otherwise provided
2 by the amount of the beneficiary's share of the retirement value as
3 of the date of the first payment. Upon the purchase and distribution
4 of such annuity contract to the beneficiary, all obligations of the
5 retirement system to the beneficiary shall terminate, without
6 exception.

7 (2) If any police officer employed by such city as a
8 member of its paid police department on January 1, 1984, except those
9 who ~~shall have been were~~ formerly employed in such department who are
10 now in military service, dies while employed by the city as a police
11 officer, other than in the line of duty, after becoming fifty-five
12 years of age and before electing to retire, and after serving in the
13 paid police department of such city for at least twenty-one years,
14 then a pension of at least twenty-five percent of his or her regular
15 pay in the form of a straight life annuity shall be paid to the
16 surviving spouse of such deceased police officer. If the deceased
17 police officer is not survived by a spouse or if the surviving spouse
18 dies before the children of the police officer attain the age of
19 majority, the pension benefit shall be paid to the police officer's
20 minor children until they attain the age of majority. Each such child
21 shall share equally in the total pension benefit to the age of his or
22 her majority, except that as soon as a child attains the age of
23 majority, such pension as to such child shall cease. To the extent
24 that the retirement value at the date of death exceeds the amount
25 required to purchase the specified pension, the excess shall be paid

1 in the manner provided in subsection (1) of this section. If the
2 actuarial equivalent of the pension benefit payable under this
3 subsection exceeds the retirement value at the time of the first
4 payment, the city shall contribute such additional amounts as may be
5 necessary to purchase or provide for the required pension benefit. If
6 a deceased police officer described in this subsection is not
7 survived by a spouse or minor children, his or her death benefits
8 shall be provided under subsection (1) of this section as if such
9 officer was not employed by the city on January 1, 1984.

10 (3) Any payments for the benefit of a minor child shall
11 be made on behalf of the child to the surviving parent or, if there
12 is no surviving parent, to the legal guardian of the child.

13 Sec. 10. Section 16-1010, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 16-1010 When prior to retirement any police officer
16 ~~participating in the retirement system~~ dies in the line of duty or in
17 ~~ease~~ his or her death is caused by or is the result of injuries
18 received while in the line of duty and if such police officer is not
19 survived by a spouse or by minor children, the entire retirement
20 value shall be payable to the beneficiary specified by the deceased
21 police officer prior to his or her death or to the deceased police
22 officer's estate if no beneficiary was specified. The retirement
23 value or portion thereof to be received by the beneficiary may be
24 paid in the form of a single lump-sum payment, straight life annuity,
25 or other optional form of benefit specified in the retirement

1 system's funding medium. For a police officer who is survived by a
2 spouse or minor children, a retirement pension of fifty percent of
3 regular pay shall be paid to the surviving spouse or, upon his or her
4 remarriage or death, to the minor children during each child's
5 minority subject to deduction of the amounts paid as workers'
6 compensation benefits on account of death as provided in section
7 16-1012. Each such child shall share equally in the total pension
8 benefit to the age of his or her majority, except that as soon as a
9 child attains the age of majority, such pension as to such child
10 shall cease. Any payments for the benefit of a minor child shall be
11 made on behalf of such child to the surviving parent or, if there is
12 no surviving parent, to the legal guardian of the child. To the
13 extent that the retirement value at the date of death exceeds the
14 amount required to purchase or provide the specified retirement
15 pension, as reduced by any amounts paid as workers' compensation
16 benefits, the excess shall be paid in the manner provided in
17 subsection (1) of section 16-1009. If the actuarial equivalent of the
18 pension benefit payable to a surviving spouse or minor children under
19 this section exceeds the retirement value at the time of the first
20 payment, the city shall contribute such additional amount as may be
21 necessary to purchase or provide for the required pension benefit.

22 Sec. 11. Section 16-1012, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 16-1012 No police officer shall be entitled during any
25 period of temporary disability to receive in full both his or her

1 salary and his or her benefits under the Nebraska Workers'
2 Compensation Act. All Nebraska workers' compensation benefits shall
3 be payable in full to such police officer as provided in the Nebraska
4 Workers' Compensation Act, but all amounts paid by the city or its
5 insurer under the Nebraska Workers' Compensation Act to any disabled
6 police officer entitled to receive a salary during such disability
7 shall be considered as payments on account of such salary and shall
8 be credited thereon. The remaining balance of such salary, if any,
9 shall be payable as otherwise provided in ~~sections 16-1001 to~~
10 ~~16-1019.~~ the Police Officers Retirement Act.

11 Sec. 12. Section 16-1013, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 16-1013 If a police officer quits or is discharged before
14 his or her normal or early retirement date, the officer may request
15 and receive as a lump-sum payment an amount equal to the retirement
16 value of his or her employee account as determined at the valuation
17 date preceding his or her termination of employment. Such police
18 officer, if vested, shall also receive a deferred pension benefit in
19 an amount purchased or provided by the retirement value at the date
20 of retirement. The retirement value at such retirement date shall
21 consist of the accumulated value of the police officer's employee
22 account, as reduced by any lump-sum distributions received prior to
23 retirement, together with a vested percentage of the accumulated
24 value of the police officer's employer account at the date of
25 retirement.

1 ~~The Commencing XXXX, the~~ vesting schedule shall be as
2 follows:

3 (1) If the terminated police officer has been a member of
4 the system for less than ~~four years, two years,~~ such vesting shall be
5 nil;

6 (2) If the terminating officer has been a member of the
7 paid department of the city of the first class for at least ~~four two~~
8 years, such vesting percentage shall be forty percent. Such vesting
9 percentage shall be ~~fifty XX~~ percent after ~~five three~~ years, ~~sixty XX~~
10 percent after ~~six four~~ years, ~~seventy percent~~ after ~~seven~~ years,
11 ~~eighty percent~~ after ~~eight~~ years, ~~ninety percent~~ after ~~nine~~ years,
12 and one hundred percent after ~~ten five~~ years; and

13 (3) All police officers shall be one hundred percent
14 vested upon attainment of age sixty while employed by the city as a
15 police officer.

16 The deferred pension benefit shall be payable on the
17 first of the month immediately following the police officer's
18 sixtieth birthday. At the option of the terminating police officer,
19 such pension benefit may be paid as of the first of the month after
20 such police officer attains the age of fifty-five. Such election may
21 be made by the police officer any time prior to the payment of the
22 pension benefits. The deferred pension benefit shall be paid in the
23 form of the benefit options specified in subsection (1) of section
24 16-1007 as elected by the police officer. If the police officer's
25 vested retirement value at the date of his or her termination of

1 employment is less than three thousand five hundred dollars, the city
2 may elect to pay such police officer his or her vested retirement
3 value in the form of a single lump-sum payment.

4 ~~Effective January 1, 1997, a~~ A police officer may elect
5 upon his or her termination of employment to receive his or her
6 vested retirement value in the form of a single lump-sum payment. ~~For~~
7 ~~a police officer whose termination of employment is prior to January~~
8 ~~1, 1997, this election shall be available only if the city has~~
9 ~~adopted a lump sum distribution option for terminating police~~
10 ~~officers in the funding medium established for the retirement system.~~

11 Upon any lump-sum payment of a terminating police
12 officer's retirement value under this section, such police officer
13 will not be entitled to any deferred pension benefit and the city and
14 the retirement system shall have no further obligation to pay such
15 police officer or his or her beneficiaries any benefits under
16 ~~sections 16-1001 to 16-1019.~~ the Police Officers Retirement Act.

17 If the terminating police officer is not credited with
18 one hundred percent of his or her employer account, the nonvested
19 portion of the account shall be forfeited and first used to meet the
20 expense charges incurred by the city in connection with administering
21 the police officers retirement system and the remainder shall then be
22 used to reduce the city contribution which would otherwise be
23 required to fund pension benefits.

24 Sec. 13. Section 16-1014, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 16-1014 A retirement committee shall be established to
2 supervise the general operation of the retirement system established
3 pursuant to ~~sections 16-1001 to 16-1019.~~ the Police Officers
4 Retirement Act. The governing body of the city shall continue to be
5 responsible for the general administration of such retirement system
6 unless specific functions or all functions with regard to the
7 administration of the retirement system are delegated, by ordinance,
8 to the retirement committee. Whenever duties or powers are vested in
9 the city or the retirement committee under ~~such sections~~ the act or
10 whenever ~~such sections fail~~ the act fails to specifically allocate
11 the duties or powers of administration of the retirement system, such
12 powers or duties shall be vested in the city unless such powers or
13 duties have been delegated by ordinance to the retirement committee.
14 The city and the retirement committee shall have all powers which are
15 necessary for or appropriate to establishing, maintaining, managing,
16 and administering the retirement system.

17 Sec. 14. Section 16-1015, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 16-1015 Each retirement committee established pursuant to
20 section 16-1014 shall consist of members from both the police force
21 and designees of the city council. The committee shall consist of six
22 members of which four members shall be selected by the officers from
23 the police force of the city. Two members shall be designated by the
24 city council. ~~The members who are not participants in such retirement~~
25 ~~system shall have a general knowledge of retirement plans.~~ Members of

1 the governing body of such city may serve on the retirement
2 committee. The committee members shall be appointed to four-year
3 terms. Vacancies shall be filled for the remainder of the term by a
4 person with the same representation as his or her predecessor.
5 Members of the retirement committee shall receive no salary and shall
6 not be compensated for expenses.

7 Sec. 15. Section 16-1016, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 16-1016 The funds of the retirement system shall be
10 invested under the general direction of the retirement committee. The
11 city or the retirement committee if delegated such function by the
12 city shall select and contract with a funding agent or agents to hold
13 or invest the assets of the retirement system and to provide for the
14 benefits provided by ~~sections 16-1001 to 16-1019.~~ the Police Officers
15 Retirement Act. The city or committee may select and contract with
16 investment managers registered under the Investment Advisers Act of
17 1940 to invest, reinvest, and otherwise manage such portion of the
18 assets of the retirement system as may be assigned by the city or
19 committee. All funds of the retirement system shall be invested
20 pursuant to the policies established by the Nebraska Investment
21 Council.

22 Sec. 16. Section 16-1017, Revised Statutes Supplement,
23 2011, is amended to read:

24 16-1017 (1) It shall be the duty of the retirement
25 committee to:

1 (a) Provide each employee a summary of plan eligibility
2 requirements and benefit provisions;

3 (b) Provide, within thirty days after a request is made
4 by a participant, a statement describing the amount of benefits such
5 participant is eligible to receive; and

6 (c) Make available for review an annual report of the
7 system's operations describing both (i) the amount of contributions
8 to the system from both employee and employer sources and (ii) an
9 identification of the total assets of the retirement system.

10 (2)(a) Beginning December 31, 1998, and each December 31
11 thereafter, the chairperson of the retirement committee shall file
12 with the Public Employees Retirement Board ~~an annual a~~ report on each
13 retirement plan established pursuant to section 401(a) of the
14 Internal Revenue Code and administered by a retirement system
15 established pursuant to ~~sections 16-1001 to 16-1019~~ the Police
16 Officers Retirement Act and shall submit copies of such report to the
17 Auditor of Public Accounts. The Auditor of Public Accounts may
18 prepare a review of such report pursuant to section 84-304.02 but is
19 not required to do so. The annual report shall be in a form
20 prescribed by the Public Employees Retirement Board and shall contain
21 the following information for each such retirement plan:

22 (i) The number of persons participating in the retirement
23 plan;

24 (ii) The contribution rates of participants in the plan;

25 (iii) Plan assets and liabilities;

1 (iv) The names and positions of persons administering the
2 plan;

3 (v) The names and positions of persons investing plan
4 assets;

5 (vi) The form and nature of investments;

6 (vii) For each defined contribution plan, a full
7 description of investment policies and options available to plan
8 participants; and

9 (viii) For each defined benefit plan, the levels of
10 benefits of participants in the plan, the number of members who are
11 eligible for a benefit, and the total present value of such members'
12 benefits, as well as the funding sources which will pay for such
13 benefits.

14 If a plan contains no current active participants, the
15 chairperson may file in place of such report a statement with the
16 Public Employees Retirement Board indicating the number of retirees
17 still drawing benefits, and the sources and amount of funding for
18 such benefits.

19 (b) Beginning December 31, 1998, and every four years
20 thereafter, if such retirement plan is a defined benefit plan, the
21 retirement committee shall cause to be prepared a quadrennial report
22 and the chairperson shall file the same with the Public Employees
23 Retirement Board and submit to the Auditor of Public Accounts a copy
24 of such report. The Auditor of Public Accounts may prepare a review
25 of such report pursuant to section 84-304.02 but is not required to

1 do so. The report shall consist of a full actuarial analysis of each
2 such retirement plan administered by a system established pursuant to
3 ~~sections 16-1001 to 16-1019.~~ the act. The analysis shall be prepared
4 by an independent private organization or public entity employing
5 actuaries who are members in good standing of the American Academy of
6 Actuaries, and which organization or entity has demonstrated
7 expertise to perform this type of analysis and is unrelated to any
8 organization offering investment advice or which provides investment
9 management services to the retirement plan.

10 Sec. 17. Section 16-1019, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 16-1019 (1) The right to any benefits under the
13 retirement system and the assets of any fund of the retirement system
14 shall not be assignable or subject to execution, garnishment,
15 attachment, or the operation of any bankruptcy or insolvency laws,
16 except that the retirement system may comply with the directions set
17 forth in a qualified domestic relations order meeting the
18 requirements of section 414(p) of the Internal Revenue Code. The city
19 or retirement committee may require appropriate releases from any
20 person as a condition to complying with any such order. The
21 retirement system shall not recognize any domestic relations order
22 which alters or changes benefits, provides for a form of benefit not
23 otherwise provided for by the retirement system, increases benefits
24 not otherwise provided by the retirement system, or accelerates or
25 defers the time of payment of benefits. No participant or beneficiary

1 shall have any right to any specific portion of the assets of the
2 retirement system.

3 (2) The retirement system shall be administered in a
4 manner necessary to comply with the tax-qualification requirements
5 applicable to government retirement plans under section 401(a) of the
6 Internal Revenue Code, including section 401(a)(9) relating to the
7 time and manner in which benefits are required to be distributed,
8 section 401(a)(16) relating to compliance with the maximum limitation
9 on the plan benefits or contributions under section 415, section
10 401(a)(17) which limits the amount of compensation which can be taken
11 into account under a retirement plan, and section 401(a)(25) relating
12 to the specification of actuarial assumptions. Any requirements for
13 compliance with section 401(a) of the Internal Revenue Code may be
14 set forth in any trust or funding medium for the retirement system.
15 This subsection shall be in full force and effect only so long as
16 conformity with section 401(a) of the Internal Revenue Code is
17 required for public retirement systems in order to secure the
18 favorable income tax treatment extended to sponsors and beneficiaries
19 of tax-qualified retirement plans.

20 (3) If the retirement committee determines that the
21 retirement system has previously overpaid or underpaid a benefit
22 payable under ~~sections 16-1001 to 16-1019, the Police Officers~~
23 Retirement Act, it shall have the power to correct such error. In the
24 event of an overpayment, the retirement system may, in addition to
25 any other remedy that the retirement system may possess, offset

1 future benefit payments by the amount of the prior overpayment,
2 together with regular interest thereon.

3 (4) A police officer whose benefit payment is adjusted by
4 the retirement committee pursuant to subsection (3) of this section
5 may request a review by the city council of the adjustment made by
6 the retirement committee.

7 (5) In order to provide the necessary amounts to pay for
8 or fund a pension plan established under ~~sections 16-1001 to 16-1019,~~
9 the act, the mayor and council may make a levy which is ~~within~~
10 subject to the levy restrictions of section 77-3442.

11 Sec. 18. Section 18-1221, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 18-1221 (1) Except as provided in subsection (2) of this
14 section, subject ~~Subject~~ to the levy limitations contained in section
15 77-3442, but notwithstanding any limitations in any other law or city
16 home rule charter, any city or village of this state which provides a
17 pension or retirement system for all or a portion of its employees
18 shall levy a tax in addition to all other taxes in order to defray
19 the cost to such city or village in meeting the obligations arising
20 by reason of providing such pension or retirement system. The revenue
21 so raised shall be limited to the amount required to defray the cost
22 to such city or village in meeting the obligations arising by reason
23 of providing such pension or retirement system, and shall be used for
24 no other purpose.

25 (2) Pursuant to section 16-1019, a city of the first

1 class which levies a tax under the Police Officers Retirement Act
2 shall not be subject to the levy limitations contained in section
3 77-3442.

4 Sec. 19. Section 18-1723, Revised Statutes Cumulative
5 Supplement, 2010, is amended to read:

6 18-1723 Whenever any firefighter who has served a total
7 of five years as a member of a paid fire department of any city in
8 this state or any police officer of any city or village, including
9 any city having a home rule charter, shall suffer death or disability
10 as a result of hypertension or heart or respiratory defect or
11 disease, there shall be a rebuttable presumption that such death or
12 disability resulted from accident or other cause while in the line of
13 duty for all purposes of the Police Officers Retirement Act, Chapter
14 15, article 10, sections ~~16-1001~~—~~16-1020~~ to 16-1042, and any
15 firefighter's or police officer's pension plan established pursuant
16 to any home rule charter, the Legislature specifically finding the
17 subject of this section to be a matter of general statewide concern.
18 The rebuttable presumption shall apply to death or disability as a
19 result of hypertension or heart or respiratory defect or disease
20 after the firefighter or police officer separates from his or her
21 applicable employment if the death or disability occurs within three
22 months after such separation. Such rebuttable presumption shall apply
23 in any action or proceeding arising out of death or disability
24 incurred prior to December 25, 1969, and which has not been processed
25 to final administrative or judicial conclusion prior to such date.

1 Sec. 20. Section 77-3442, Revised Statutes Supplement,
2 2011, is amended to read:

3 77-3442 (1) Property tax levies for the support of local
4 governments for fiscal years beginning on or after July 1, 1998,
5 shall be limited to the amounts set forth in this section except as
6 provided in section 77-3444.

7 (2)(a) Except as provided in subdivision (2)(e) of this
8 section, school districts and multiple-district school systems,
9 except learning communities and school districts that are members of
10 learning communities, may levy a maximum levy of one dollar and five
11 cents per one hundred dollars of taxable valuation of property
12 subject to the levy.

13 (b) For each fiscal year, learning communities may levy a
14 maximum levy for the general fund budgets of member school districts
15 of ninety-five cents per one hundred dollars of taxable valuation of
16 property subject to the levy. The proceeds from the levy pursuant to
17 this subdivision shall be distributed pursuant to section 79-1073.

18 (c) Except as provided in subdivision (2)(e) of this
19 section, for each fiscal year, school districts that are members of
20 learning communities may levy for purposes of such districts' general
21 fund budget and special building funds a maximum combined levy of the
22 difference of one dollar and five cents on each one hundred dollars
23 of taxable property subject to the levy minus the learning community
24 levies pursuant to subdivisions (2)(b) and (2)(g) of this section for
25 such learning community.

1 (d) Excluded from the limitations in subdivisions (2)(a)
2 and (2)(c) of this section are amounts levied to pay for sums agreed
3 to be paid by a school district to certificated employees in exchange
4 for a voluntary termination of employment and amounts levied to pay
5 for special building funds and sinking funds established for projects
6 commenced prior to April 1, 1996, for construction, expansion, or
7 alteration of school district buildings. For purposes of this
8 subsection, commenced means any action taken by the school board on
9 the record which commits the board to expend district funds in
10 planning, constructing, or carrying out the project.

11 (e) Federal aid school districts may exceed the maximum
12 levy prescribed by subdivision (2)(a) or (2)(c) of this section only
13 to the extent necessary to qualify to receive federal aid pursuant to
14 Title VIII of Public Law 103-382, as such title existed on September
15 1, 2001. For purposes of this subdivision, federal aid school
16 district means any school district which receives ten percent or more
17 of the revenue for its general fund budget from federal government
18 sources pursuant to Title VIII of Public Law 103-382, as such title
19 existed on September 1, 2001.

20 (f) For school fiscal year 2002-03 through school fiscal
21 year 2007-08, school districts and multiple-district school systems
22 may, upon a three-fourths majority vote of the school board of the
23 school district, the board of the unified system, or the school board
24 of the high school district of the multiple-district school system
25 that is not a unified system, exceed the maximum levy prescribed by

1 subdivision (2)(a) of this section in an amount equal to the net
2 difference between the amount of state aid that would have been
3 provided under the Tax Equity and Educational Opportunities Support
4 Act without the temporary aid adjustment factor as defined in section
5 79-1003 for the ensuing school fiscal year for the school district or
6 multiple-district school system and the amount provided with the
7 temporary aid adjustment factor. The State Department of Education
8 shall certify to the school districts and multiple-district school
9 systems the amount by which the maximum levy may be exceeded for the
10 next school fiscal year pursuant to this subdivision (f) of this
11 subsection on or before February 15 for school fiscal years 2004-05
12 through 2007-08.

13 (g) For each fiscal year, learning communities may levy a
14 maximum levy of two cents on each one hundred dollars of taxable
15 property subject to the levy for special building funds for member
16 school districts. The proceeds from the levy pursuant to this
17 subdivision shall be distributed pursuant to section 79-1073.01.

18 (h) For each fiscal year, learning communities may levy a
19 maximum levy of two cents on each one hundred dollars of taxable
20 property subject to the levy for elementary learning center facility
21 leases, for remodeling of leased elementary learning center
22 facilities, and for up to fifty percent of the estimated cost for
23 focus school or program capital projects approved by the learning
24 community coordinating council pursuant to section 79-2111.

25 (i) For each fiscal year, learning communities may levy a

1 maximum levy of one cent on each one hundred dollars of taxable
2 property subject to the levy for elementary learning center
3 employees, for contracts with other entities or individuals who are
4 not employees of the learning community for elementary learning
5 center programs and services, and for pilot projects, except that no
6 more than ten percent of such levy may be used for elementary
7 learning center employees.

8 (3)(a) For fiscal years prior to fiscal year 2010-11,
9 community colleges may levy a maximum levy calculated pursuant to the
10 Community College Foundation and Equalization Aid Act on each one
11 hundred dollars of taxable property subject to the levy.

12 (b) For fiscal year 2010-11, in lieu of the calculation
13 of a maximum levy for operating expenditures pursuant to the
14 Community College Foundation and Equalization Aid Act, and for fiscal
15 year 2011-12 and each fiscal year thereafter, community colleges may
16 levy a maximum of ten and one-quarter cents per one hundred dollars
17 of taxable valuation of property subject to the levy for operating
18 expenditures and may also levy the additional levies provided in
19 subsections (2) and (3) of section 85-1517.

20 (4)(a) Natural resources districts may levy a maximum
21 levy of four and one-half cents per one hundred dollars of taxable
22 valuation of property subject to the levy.

23 (b) Natural resources districts shall also have the power
24 and authority to levy a tax equal to the dollar amount by which their
25 restricted funds budgeted to administer and implement ground water

1 management activities and integrated management activities under the
2 Nebraska Ground Water Management and Protection Act exceed their
3 restricted funds budgeted to administer and implement ground water
4 management activities and integrated management activities for
5 FY2003-04, not to exceed one cent on each one hundred dollars of
6 taxable valuation annually on all of the taxable property within the
7 district.

8 (c) In addition, natural resources districts located in a
9 river basin, subbasin, or reach that has been determined to be fully
10 appropriated pursuant to section 46-714 or designated as
11 overappropriated pursuant to section 46-713 by the Department of
12 Natural Resources shall also have the power and authority to levy a
13 tax equal to the dollar amount by which their restricted funds
14 budgeted to administer and implement ground water management
15 activities and integrated management activities under the Nebraska
16 Ground Water Management and Protection Act exceed their restricted
17 funds budgeted to administer and implement ground water management
18 activities and integrated management activities for FY2005-06, not to
19 exceed three cents on each one hundred dollars of taxable valuation
20 on all of the taxable property within the district for fiscal year
21 2006-07 and each fiscal year thereafter through fiscal year 2017-18.

22 (5) Any educational service unit authorized to levy a
23 property tax pursuant to section 79-1225 may levy a maximum levy of
24 one and one-half cents per one hundred dollars of taxable valuation
25 of property subject to the levy.

1 (6)(a) Incorporated cities and villages which are not
2 within the boundaries of a municipal county may levy a maximum levy
3 of forty-five cents per one hundred dollars of taxable valuation of
4 property subject to the levy plus an additional five cents per one
5 hundred dollars of taxable valuation to provide financing for the
6 municipality's share of revenue required under an agreement or
7 agreements executed pursuant to the Interlocal Cooperation Act or the
8 Joint Public Agency Act. The maximum levy shall include amounts
9 levied to pay for sums to support a library pursuant to section
10 51-201, museum pursuant to section 51-501, visiting community nurse,
11 home health nurse, or home health agency pursuant to section 71-1637,
12 or statue, memorial, or monument pursuant to section 80-202. For
13 fiscal years XXXX-XX through XXXX-XX, the maximum levy shall not
14 include amounts levied by cities of the first class whose levy under
15 this subdivision for fiscal year XXXX-XX was equal to or greater than
16 XX cents per one hundred dollars of taxable valuation of property
17 subject to the levy for the XX-percent increase in contribution rate
18 under subdivision (1)(a) of section 16-1005 and subsection (1) of
19 section 16-1006, pursuant to this legislative bill, and the XX-
20 percent increase in contribution rate under subdivision (1)(b) of
21 section 16-1005 and subsection (2) of section 16-1006, pursuant to
22 this legislative bill.

23 (b) Incorporated cities and villages which are within the
24 boundaries of a municipal county may levy a maximum levy of ninety
25 cents per one hundred dollars of taxable valuation of property

1 subject to the levy. The maximum levy shall include amounts paid to a
2 municipal county for county services, amounts levied to pay for sums
3 to support a library pursuant to section 51-201, a museum pursuant to
4 section 51-501, a visiting community nurse, home health nurse, or
5 home health agency pursuant to section 71-1637, or a statue,
6 memorial, or monument pursuant to section 80-202. For fiscal years
7 XXXX-XX through XXXX-XX, the maximum levy shall not include amounts
8 levied by cities of the first class whose levy under this subdivision
9 for fiscal year 2011-12 was equal to or greater than XX cents per one
10 hundred dollars of taxable valuation of property subject to the levy
11 for the XX-percent increase in contribution rate under subdivision
12 (1)(a) of section 16-1005 and subsection (1) of section 16-1006,
13 pursuant to this legislative bill, and the XX-percent increase in
14 contribution rate under subdivision (1)(b) of section 16-1005 and
15 subsection (2) of section 16-1006, pursuant to this legislative bill.

16 (7) Sanitary and improvement districts which have been in
17 existence for more than five years may levy a maximum levy of forty
18 cents per one hundred dollars of taxable valuation of property
19 subject to the levy, and sanitary and improvement districts which
20 have been in existence for five years or less shall not have a
21 maximum levy. Unconsolidated sanitary and improvement districts which
22 have been in existence for more than five years and are located in a
23 municipal county may levy a maximum of eighty-five cents per hundred
24 dollars of taxable valuation of property subject to the levy.

25 (8) Counties may levy or authorize a maximum levy of

1 fifty cents per one hundred dollars of taxable valuation of property
2 subject to the levy, except that five cents per one hundred dollars
3 of taxable valuation of property subject to the levy may only be
4 levied to provide financing for the county's share of revenue
5 required under an agreement or agreements executed pursuant to the
6 Interlocal Cooperation Act or the Joint Public Agency Act. The
7 maximum levy shall include amounts levied to pay for sums to support
8 a library pursuant to section 51-201 or museum pursuant to section
9 51-501. The county may allocate up to fifteen cents of its authority
10 to other political subdivisions subject to allocation of property tax
11 authority under subsection (1) of section 77-3443 and not
12 specifically covered in this section to levy taxes as authorized by
13 law which do not collectively exceed fifteen cents per one hundred
14 dollars of taxable valuation on any parcel or item of taxable
15 property. The county may allocate to one or more other political
16 subdivisions subject to allocation of property tax authority by the
17 county under subsection (1) of section 77-3443 some or all of the
18 county's five cents per one hundred dollars of valuation authorized
19 for support of an agreement or agreements to be levied by the
20 political subdivision for the purpose of supporting that political
21 subdivision's share of revenue required under an agreement or
22 agreements executed pursuant to the Interlocal Cooperation Act or the
23 Joint Public Agency Act. If an allocation by a county would cause
24 another county to exceed its levy authority under this section, the
25 second county may exceed the levy authority in order to levy the

1 amount allocated. Property tax levies for costs of reassumption of
2 the assessment function pursuant to section 77-1340 or 77-1340.04 are
3 not included in the levy limits established in this subsection for
4 fiscal years 2010-11 through 2013-14.

5 (9) Municipal counties may levy or authorize a maximum
6 levy of one dollar per one hundred dollars of taxable valuation of
7 property subject to the levy. The municipal county may allocate levy
8 authority to any political subdivision or entity subject to
9 allocation under section 77-3443.

10 (10) Property tax levies (a) for judgments, except
11 judgments or orders from the Commission of Industrial Relations,
12 obtained against a political subdivision which require or obligate a
13 political subdivision to pay such judgment, to the extent such
14 judgment is not paid by liability insurance coverage of a political
15 subdivision, (b) for preexisting lease-purchase contracts approved
16 prior to July 1, 1998, (c) for bonds as defined in section 10-134
17 approved according to law and secured by a levy on property except as
18 provided in section 44-4317 for bonded indebtedness issued by
19 educational service units and school districts, and (d) for payments
20 by a public airport to retire interest-free loans from the Department
21 of Aeronautics in lieu of bonded indebtedness at a lower cost to the
22 public airport are not included in the levy limits established by
23 this section.

24 (11) The limitations on tax levies provided in this
25 section are to include all other general or special levies provided

1 by law. Notwithstanding other provisions of law, the only exceptions
2 to the limits in this section are those provided by or authorized by
3 sections 77-3442 to 77-3444.

4 (12) Tax levies in excess of the limitations in this
5 section shall be considered unauthorized levies under section 77-1606
6 unless approved under section 77-3444.

7 (13) For purposes of sections 77-3442 to 77-3444,
8 political subdivision means a political subdivision of this state and
9 a county agricultural society.

10 (14) For school districts that file a binding resolution
11 on or before May 9, 2008, with the county assessors, county clerks,
12 and county treasurers for all counties in which the school district
13 has territory pursuant to subsection (7) of section 79-458, if the
14 combined levies, except levies for bonded indebtedness approved by
15 the voters of the school district and levies for the refinancing of
16 such bonded indebtedness, are in excess of the greater of (a) one
17 dollar and twenty cents per one hundred dollars of taxable valuation
18 of property subject to the levy or (b) the maximum levy authorized by
19 a vote pursuant to section 77-3444, all school district levies,
20 except levies for bonded indebtedness approved by the voters of the
21 school district and levies for the refinancing of such bonded
22 indebtedness, shall be considered unauthorized levies under section
23 77-1606.

24 Sec. 21. Original sections 16-1001, 16-1002, 16-1003,
25 16-1004, 16-1005, 16-1006, 16-1007, 16-1009, 16-1010, 16-1012,

1 16-1013, 16-1014, 16-1015, 16-1016, 16-1019, and 18-1221, Reissue
2 Revised Statutes of Nebraska, sections 13-520 and 18-1723, Revised
3 Statutes Cumulative Supplement, 2010, and sections 16-1017 and
4 77-3442, Revised Statutes Supplement, 2011, are repealed.