

AMENDMENTS TO LB448

(Amendments to Standing Committee amendments, AM1555)

Introduced by Nordquist, 7.

1 1. Insert the following new sections:

2 Sec. 32. Section 79-9,105, Reissue Revised Statutes of Nebraska, is  
3 amended to read:

4 79-9,105 (1) Any member with five or more years of creditable  
5 service, excluding years of prior service acquired pursuant to section  
6 79-990, 79-991, 79-994, 79-995, or 79-997, who becomes totally disabled  
7 for further performance of duty on or after March 22, 2000, may be  
8 approved for deferred disability retirement by the board of trustees. In  
9 the case of such deferred disability retirement, the member, during the  
10 period specified in subsection (3) of this section, shall be credited  
11 with creditable service for each year or portion thereof, to be  
12 determined in accordance with ~~board~~ policies of the board of trustees  
13 governing creditable service, that the member defers retirement, up to a  
14 maximum of thirty-five years of total creditable service, including  
15 creditable service accrued before the member became totally disabled. The  
16 member approved for deferred disability retirement may at any time of the  
17 member's choosing request the deferral to end and retirement annuity  
18 payments to begin. The retirement annuity of such member shall be based  
19 on the total number of years of the member's creditable service,  
20 including the years credited to the member during his or her total  
21 disability under this section, and the member's final average salary as  
22 of the date that the member became totally disabled and as adjusted from  
23 such date by a percentage equal to the cumulative percentage cost-of-  
24 living adjustments that were made or declared for annuities in pay status  
25 pursuant to section 79-9,103 after the date of the ~~board's~~ approval of  
26 the board of trustees for deferred disability retirement and before the

1 cessation of the accrual of additional creditable service pursuant to  
2 subsection (3) of this section. Except as provided in subsection (4) of  
3 this section, the retirement annuity so determined for the member shall  
4 be payable to the member without reduction due to any early commencement  
5 of benefits, except that the retirement annuity shall be reduced by the  
6 amount of any periodic payments to such employee as workers' compensation  
7 benefits. Additional creditable service acquired through deferred  
8 disability retirement shall apply to the service requirements specified  
9 in section 79-9,106. The board of trustees shall consider a member to be  
10 totally disabled when it has received an application by the member and a  
11 statement by at least two licensed and practicing physicians designated  
12 by the board of trustees certifying that the member is totally and  
13 presumably permanently disabled and unable to perform his or her duties  
14 as a consequence thereof.

15 (2) Notwithstanding the provisions of subsection (1) of this  
16 section, the payment of the retirement annuity of a member may not be  
17 deferred later than the member's required beginning date as defined in  
18 section 401(a)(9) of the Internal Revenue Code, as defined in section  
19 49-801.01. If the payment of a disabled member's retirement annuity is  
20 required to commence before the member has elected to end his or her  
21 deferred disability retirement, the amount of benefit that would have  
22 accrued pursuant to subsection (1) of this section in the fiscal year of  
23 the member's required beginning date, and in each subsequent fiscal year  
24 through the year of the member's election to end the deferred disability  
25 retirement period, shall be reduced, but not below zero, by the actuarial  
26 equivalent of the payments which were paid to the member during each such  
27 fiscal year and after the member's required beginning date. The  
28 retirement annuity of any member that commences before the end of the  
29 member's deferred disability retirement shall be adjusted as of each  
30 September 1 pursuant to the requirements of this subsection.

31 (3) The accrual of creditable service and any adjustment of final

1 average salary provided in subsection (1) of this section shall begin  
2 from the first day of the month following the date of the first of the  
3 two examinations by which the member is determined by the board of  
4 trustees to be totally disabled, shall continue only so long as the  
5 member does not receive any wages or compensation for services, and shall  
6 end at the earlier of (a) the time total disability ceases as determined  
7 by the board of trustees or (b) the date the member elects to end the  
8 deferred disability retirement and begin to receive his or her retirement  
9 annuity. The board of trustees may require periodic proof of disability  
10 but not more frequently than semiannually.

11 (4) The payment of any retirement annuity to a disabled member,  
12 which begins to be paid under this section (a) before the member's sixty-  
13 second birthday or (b) at a time before the sum of the member's attained  
14 age and creditable service is eighty-five or more, shall be suspended if  
15 the board of trustees determines at any time before the member's sixty-  
16 second birthday that the member's total disability has ceased. Payment of  
17 the retirement annuity of such member as determined under this section  
18 shall recommence at the member's early retirement date or normal  
19 retirement date but shall be subject to reduction at such time as  
20 specified in section 79-9,100.

21 Sec. 42. Sections 12 and 45 of this act become operative on July 1,  
22 2015. Sections 25 and 46 of this act become operative on September 1,  
23 2015. The other sections of this act become operative on their effective  
24 date.

25 Sec. 45. Original section 79-980, Reissue Revised Statutes of  
26 Nebraska, is repealed.

27 Sec. 46. Original section 79-996, Reissue Revised Statutes of  
28 Nebraska, is repealed.

29 2. On page 4, lines 12 and 13 and 18 and 19; page 5, lines 30 and  
30 31; page 6, lines 10 and 11 and 15; page 7, lines 17 and 18; page 26,  
31 line 2; page 62, lines 21 and 22; and page 69, lines 17 and 18, strike

1 "the Class V School Employees Retirement System" and insert "a retirement  
2 system provided for under the Class V School Employees Retirement Act".

3 3. On page 13, line 8, after "(c)" insert "(i)"; in line 11 after  
4 "year" insert "and (ii) prior to September 1, 2015,"; reinstate the  
5 stricken matter in lines 11 through 15; in line 28 after "means" insert  
6 ", for members hired prior to July 1, 2015, who have attained age fifty-  
7 five,"; and strike beginning with "and" in line 30 through line 31 and  
8 all amendments thereto, show the old matter as stricken, and insert ".  
9 Early retirement date means, for members hired on or after July 1, 2015,  
10 that month and year selected by a member".

11 4. On page 14, line 1, strike "hired on or after July 1, 2015,"; and  
12 in line 2 after "and" insert "who has".

13 5. On page 28, line 15, strike "Class V School Employees Retirement  
14 System administrator" and insert "administrator of a retirement system  
15 provided for under the Class V School Employees Retirement Act".

16 6. On page 44, line 18, strike "prior to".

17 7. On page 51, line 7, strike "or", show as stricken, and insert "of  
18 education or board of".

19 8. On page 51, line 10; and page 55, line 12, after "board" insert  
20 "of trustees".

21 9. On page 59, line 8, after "board" insert "of education".

22 10. On page 64, lines 4 and 5, strike "Class V School Employees  
23 Retirement System assets" and insert "assets of a retirement system  
24 provided for under the Class V School Employees Retirement Act"; and in  
25 line 9 strike "account or funds" and insert "fund".

26 11. On page 69, line 26, strike "79-980,"; and in line 28 strike  
27 "79-996," and after "79-9,104," insert "79-9,105,".

28 12. Renumber the remaining sections and correct internal references  
29 accordingly.