

Assembly Bill No. 269--Committee on Government Affairs

CHAPTER.....

AN ACT relating to public employees' retirement; revising the provisions governing contributions by justices of the supreme court; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 286.421 is hereby amended to read as follows:

286.421 1. A public employer that elected to pay on behalf of its employees the contributions required by subsection 1 of NRS 286.410 before July 1, 1983, shall continue to do so, but a public employer may not elect to pay those contributions on behalf of its employees on or after July 1, 1983.

2. An employee of a public employer that did not elect to pay on behalf of its employees the contributions required by subsection 1 of NRS 286.410 before July 1, 1983, may elect to:

(a) Pay the contribution required by subsection 1 of NRS 286.410 on his own behalf; or

(b) Have his portion of the contribution paid by his employer pursuant to the provisions of NRS 286.425.

3. Except for any person chosen by election or appointment to serve in an elective office of a political subdivision or as a district judge *or a justice of the supreme court* of this state:

(a) Payment of the employee's portion of the contributions pursuant to subsection 1 must be:

(1) Made in lieu of equivalent basic salary increases or cost-of-living increases, or both; or

(2) Counterbalanced by equivalent reductions in employees' salaries.

(b) The average compensation from which the amount of benefits payable pursuant to this chapter is determined must be increased with respect to each month beginning after June 30, 1975, by 50 percent of the contribution made by the public employer, and must not be less than it would have been if contributions had been made by the member and the public employer separately. In the case of any officer or judge described in this subsection, any contribution made by the public employer on his behalf does not affect his compensation but is an added special payment.

4. Employee contributions made by a public employer must be deposited in either the public employees' retirement fund or the police and firemen's retirement fund as is appropriate. These contributions must not be credited to the individual account of the member and may not be withdrawn by the member upon his termination.

5. The membership of an employee who became a member on or after July 1, 1975, and all contributions on whose behalf were made by his public employer must not be canceled upon the termination of his service.

6. If an employer is paying the basic contribution on behalf of an employee, the total contribution rate, in lieu of the amounts required by subsection 1 of NRS 286.410 and NRS 286.450, must be:

(a) The total contribution rate for employers that is actuarially determined for police officers and firemen and for regular members, depending upon the retirement fund in which the member is participating.

(b) Adjusted on the first monthly retirement reporting period commencing on or after July 1 of each odd-numbered year based on the actuarially determined contribution rate indicated in the biennial actuarial valuation and report of the immediately preceding year. The adjusted rate must be rounded to the nearest one-quarter of 1 percent.

7. The total contribution rate for employers must not be adjusted in accordance with the provisions of paragraph (b) of subsection 6 if the existing rate is within one-half of 1 percent of the actuarially determined rate.

8. For the purposes of adjusting salary increases and cost-of-living increases or of salary reduction, the total contribution must be equally divided between employer and employee.

9. Public employers other than the State of Nevada shall pay the entire employee contribution for those employees who contribute to the police and firemen's retirement fund on and after July 1, 1981.

Sec. 2. The amendatory provisions of this act apply to contributions made on or after January 1, 1999.

Sec. 3. This act becomes effective upon passage and approval.

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