Senate Bill No. 111–Committee on Finance

CHAPTER........

AN ACT relating to public employees' retirement; clarifying provisions governing the purchase by a state agency of service credit in the public employees' retirement system on behalf of certain employees under certain circumstances; 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 286.3007 is hereby amended to read as follows:

286.3007 Except as otherwise required as a result of NRS 286.537:

1. A state agency ~~[shall]~~ ***may enter into an agreement to*** pay the cost of purchasing credit for service pursuant to NRS 286.300 on behalf of a member if:

(a) The agency ~~[entered into an agreement with the member under which the member was employed]~~ ***enters into the agreement before the member is employed;***

(b) The member is employed upon the condition that the employer pay the cost of purchasing the credit; and

~~[(b)]~~ ***(c)*** The agreement to ~~[purchase]~~ ***pay the cost of purchasing*** the credit is in writing, becomes part of the personnel records of the employee and is approved in advance by the state board of examiners.

2. If a state agency is ~~[required]~~ ***authorized*** to purchase credit pursuant to subsection 1, it shall not do so until the member has completed 1 year of service in its employ.

3. If a state agency is required to reduce the number of its employees, it shall purchase credit for service pursuant to NRS 286.300 for any member who:

(a) Is eligible to purchase credit;

(b) Is eligible to retire or will be made eligible by the purchase of the credit;

(c) Agrees to retire upon completion of the purchase; and

(d) Has been employed by the agency for 5 or more years.

4. If a state agency is required to purchase credit pursuant to subsection 3, it shall pay 5 percent of the cost of purchasing the credit and an additional 5 percent of the cost for each year that the person has been employed by the agency in excess of the minimum requirement of 5 years.

Sec. 2. This act becomes effective upon passage and approval.

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