

ASSEMBLY BILL NO. 232—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF INTERIM COMMITTEE ON PENSION PLAN
FOR CERTAIN JUSTICES AND JUDGES (AB 698))

FEBRUARY 26, 2001

Referred to Committee on Ways and Means

SUMMARY—Establishes judicial retirement system for certain justices of the supreme court and district court judges. (BDR 1-208)

FISCAL NOTE: Effect on Local Government: Yes.
Effect on the State: Contains Appropriation included in Executive Budget.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to the judiciary; establishing a judicial retirement system for certain justices of the supreme court and district court judges; providing a penalty; and providing other matters properly relating thereto.

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

- 1 **Section 1.** Title 1 of NRS is hereby amended by adding thereto a new
2 chapter to consist of the provisions set forth as sections 2 to 62, inclusive,
3 of this act.
4 **Sec. 2.** *As used in this chapter, unless the context otherwise*
5 *requires, the words and terms defined in sections 3 to 10, inclusive, of*
6 *this act have the meanings ascribed to them in those sections.*
7 **Sec. 3.** *“Board” means the public employees’ retirement board.*
8 **Sec. 4. 1.** *“Compensation” means the salary paid to a justice of the*
9 *supreme court or district judge by this state including:*
10 *(a) Base pay, which is the monthly rate of pay excluding all fringe*
11 *benefits;*
12 *(b) Additional payment for longevity; and*
13 *(c) Payment for extra duty assignments if it is the standard practice of*
14 *this state to include such pay in the employment contract or official job*
15 *description for the calendar year in which it is paid and such pay is*
16 *specifically included in the justice’s or judge’s employment contract or*
17 *official job description.*
18 **2.** *The term does not include any type of payment not specifically*
19 *described in this section.*



1 **Sec. 5.** *"Disability retirement allowance" means monthly payments*
2 *from the judicial retirement fund paid to disabled retired justices of the*
3 *supreme court or district judges pursuant to the judicial retirement plan.*

4 **Sec. 6.** *"Judicial retirement plan" means the retirement plan*
5 *established pursuant to section 24 of this act.*

6 **Sec. 7.** *"Retired justice or judge" means a justice of the supreme*
7 *court or district judge who was a member of the judicial retirement plan*
8 *at the time he retired or who decides, pursuant to section 22 or 23 of this*
9 *act, to receive benefits for retirement pursuant to the judicial retirement*
10 *plan.*

11 **Sec. 8.** *"Service" means all creditable employment which is*
12 *validated pursuant to the provisions of this chapter and can be used in*
13 *determining eligibility and scope of benefits for justices of the supreme*
14 *court or district judges pursuant to the judicial retirement plan.*

15 **Sec. 9.** *"Service retirement allowance" means monthly payments*
16 *from the judicial retirement fund paid to a retired justice of the supreme*
17 *court or district judge pursuant to the judicial retirement plan for the*
18 *remainder of his life.*

19 **Sec. 10.** *"System" means the judicial retirement system established*
20 *pursuant to this chapter.*

21 **Sec. 11.** 1. *A system of retirement providing benefits for the*
22 *retirement, disability or death of all justices of the supreme court and*
23 *district judges and funded on an actuarial reserve basis is hereby*
24 *established and must be known as the judicial retirement system.*

25 2. *The system consists of the judicial retirement plan and the*
26 *provisions set forth in NRS 2.060 to 2.075, inclusive, and section 64 of*
27 *this act and NRS 3.090 to 3.097, inclusive, and section 69 of this act for*
28 *providing benefits to justices of the supreme court or district judges who*
29 *served either as a justice of the supreme court or district judge before*
30 *November 5, 2002. Each justice of the supreme court or district judge*
31 *who is not a member of the public employees' retirement system is a*
32 *member of the system.*

33 3. *The official correspondence and records, other than the files of*
34 *individual members of the system or retired justices or judges, and the*
35 *minutes and books of the system are public records and are available for*
36 *public inspection.*

37 4. *The system must be administered exclusively by the board, which*
38 *shall make all necessary rules and regulations for the administration of*
39 *the system. The legislature shall regularly review the system.*

40 **Sec. 12.** *All records maintained for a member of the system, retired*
41 *justice or judge, justice or judge who retired pursuant to NRS 2.060 to*
42 *2.075, inclusive, and section 64 of this act, or pursuant to NRS 3.090 to*
43 *3.097, inclusive, and section 69 of this act, or his beneficiary may be*
44 *reviewed and copied only by the system, the member, the court*
45 *administrator, the spouse of the member, or the retired justice or judge or*
46 *his spouse, or pursuant to a court order, or by a beneficiary after the*
47 *death of the justice or judge on whose account benefits are received*
48 *pursuant to the system. Any member, retired justice or judge, justice or*
49 *judge who retired pursuant to NRS 2.060 to 2.075, inclusive, and section*



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1 64 of this act, or pursuant to NRS 3.090 to 3.097, inclusive, and section
2 69 of this act, or beneficiary may submit a written waiver to the system
3 authorizing his representative to review or copy all such records.

4 **Sec. 13.** 1. The judicial retirement fund is hereby established as a
5 trust fund.

6 2. It is hereby declared to be the policy of the legislature that the
7 judicial retirement fund is established to afford a degree of security to
8 long-time justices of the supreme court and district judges in this state.
9 The money in the fund must not be used or appropriated for any purpose
10 incompatible with the provisions of this chapter or NRS 2.060 to 2.075,
11 inclusive, and section 64 of this act, or NRS 3.090 to 3.097, inclusive, and
12 section 69 of this act. The fund must be invested and administered to
13 ensure the highest return consistent with safety in accordance with
14 accepted investment practices.

15 3. All money appropriated by the legislature to the judicial retirement
16 fund and all income accruing to the fund from all other sources must be
17 deposited in the fund.

18 4. The interest and income earned on the money in the judicial
19 retirement fund, after deducting any applicable charges, must be credited
20 to the fund.

21 5. The system must pay all retirement allowances, benefits, optional
22 settlements and other obligations or payments payable by the system
23 pursuant to this chapter and NRS 2.060 to 2.075, inclusive, and section
24 64 of this act and NRS 3.090 to 3.097, inclusive, and section 69 of this act
25 from the judicial retirement fund. The money in the fund must be
26 expended by the board for the payment of expenses authorized by law to
27 be paid from the fund.

28 **Sec. 14.** 1. The board shall establish a fund known as the judicial
29 retirement administrative fund in which must be deposited all
30 administrative fees.

31 2. The board shall fix an administrative fee per capita sufficient to
32 pay the expense of operating the judicial retirement system.

33 **Sec. 15.** 1. The board may establish a fund to pay the accrued
34 benefits of a member of the system that are not payable because of the
35 limitations set forth in section 26 of this act. The fund must be
36 established in accordance with the provisions of section 415(m) of the
37 Internal Revenue Code, 26 U.S.C. § 415(m), and must be separate from
38 the judicial retirement fund.

39 2. If the board establishes a fund pursuant to subsection 1, the
40 benefits that are required to be paid from the fund must be paid from
41 money in the fund.

42 **Sec. 16.** The board has the exclusive control of the administration
43 and investment of the judicial retirement fund, with the same powers and
44 duties and subject to the same limitations and restrictions that are
45 applicable to the administration and investment of the public employees'
46 retirement fund.

47 **Sec. 17.** Except as specifically provided in this chapter, the accounts
48 of members of the system and recipients of benefits of the system must be
49 administered in accordance with the provisions of chapter 286 of NRS as



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1 *if the justice of the supreme court or the district judge were or had been a*
2 *member of the public employees' retirement system.*

3 **Sec. 18.** 1. *The board shall not change the actuarial assumptions*
4 *used in computing the benefits provided to a member of the system.*

5 2. *The board shall make available to every member of the system*
6 *upon request the actuarial assumptions used in computing the benefits*
7 *provided to a member of the system.*

8 **Sec. 19.** 1. *The board, subject to the limitations of this chapter, is*
9 *responsible for managing the system.*

10 2. *The board shall:*

11 (a) *Arrange for a biennial actuarial valuation and report of the*
12 *actuarial soundness of the system to be prepared by an independent*
13 *actuary based upon data compiled and supplied by employees of the*
14 *system, and shall adopt actuarial tables and formula prepared and*
15 *recommended by the actuary;*

16 (b) *Provide for a biennial audit of the system, including, without*
17 *limitation, the judicial retirement administrative fund, by an independent*
18 *certified public accountant; and*

19 (c) *Provide an annual report concerning the judicial retirement*
20 *system established pursuant to this chapter to the court administrator, the*
21 *governor and each member of the legislature, and make the report*
22 *available to all members of the judicial retirement system upon request.*
23 *The report must contain, when available, a review of the actuarial*
24 *valuation required by paragraph (a).*

25 3. *The board may:*

26 (a) *Adjust the service or correct the records, allowance or benefits of*
27 *any member, retired justice or judge or beneficiary after an error or*
28 *inequity has been determined, and require repayment of any money*
29 *determined to have been paid by the system in error, if the money was*
30 *paid within 6 years before demand for its repayment.*

31 (b) *Examine and copy personnel and financial records of a justice of*
32 *the supreme court or district judge.*

33 (c) *Require an annual notarized statement from a retired justice or*
34 *judge or beneficiary that he is in fact receiving an allowance or benefits,*
35 *and withhold the allowance or benefits if he fails to provide the*
36 *statement.*

37 4. *As used in this section, "error or inequity" means the existence of*
38 *extenuating circumstances, including, without limitation, a member's*
39 *reasonable and detrimental reliance on representations made by the*
40 *system which prove to be erroneous, or the mental incapacity of the*
41 *member.*

42 **Sec. 20.** 1. *No person may become a member of the judicial*
43 *retirement system unless he is a justice of the supreme court or a district*
44 *judge.*

45 2. *Except as otherwise provided in section 31 of this act, persons*
46 *retired under the provisions of this chapter who are employed as a justice*
47 *of the supreme court or district judge in any judicial capacity, including,*
48 *without limitation, employment as a senior justice or senior judge of the*
49 *Nevada court system, are not eligible to become members of the system.*



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1 **Sec. 21. 1. Membership of a justice of the supreme court or a**
2 **district judge in the system terminates upon:**

3 **(a) The death of a member;**

4 **(b) Receipt of retirement allowances by a member of the judicial**
5 **retirement plan or retirement benefits pursuant to NRS 2.060 to 2.075,**
6 **inclusive, and section 64 of this act, or pursuant to NRS 3.090 to 3.097,**
7 **inclusive, and section 69 of this act; or**

8 **(c) Receipt of disability allowances by a member of the judicial**
9 **retirement plan or disability benefits pursuant to NRS 2.060 to 2.075,**
10 **inclusive, and section 64 of this act, or pursuant to NRS 3.090 to 3.097,**
11 **inclusive, and section 69 of this act.**

12 **2. A retired justice or judge is not entitled to any right conferred by**
13 **this chapter upon a member of the system unless the provision conferring**
14 **that right expressly states that it is conferred upon a retired justice or**
15 **judge.**

16 **3. A justice or judge who retired pursuant to NRS 2.060 to 2.075,**
17 **inclusive, and section 64 of this act, or pursuant to NRS 3.090 to 3.097,**
18 **inclusive, and section 69 of this act, is not entitled to any right conferred**
19 **by this chapter upon a member of the system unless the provision**
20 **conferring that right expressly states that it is conferred upon a justice or**
21 **judge who retired pursuant to NRS 2.060 to 2.075, inclusive, and section**
22 **64 of this act, or pursuant to NRS 3.090 to 3.097, inclusive, and section**
23 **69 of this act.**

24 **Sec. 22. 1. Each justice of the supreme court or district judge who**
25 **is elected or appointed as a justice of the supreme court or a district**
26 **judge on or after November 5, 2002, who takes office on or after**
27 **January 1, 2003, and who previously has not served as either a justice of**
28 **the supreme court or a district judge must receive benefits for retirement,**
29 **benefits for disability and survivor benefits under the judicial retirement**
30 **plan, if eligible to receive such benefits under the judicial retirement**
31 **plan, unless he is a member of the public employees' retirement system**
32 **and elects to remain a member pursuant to section 23 of this act if**
33 **eligible to do so.**

34 **2. Each justice of the supreme court or district judge who is elected**
35 **or appointed as a justice of the supreme court or district judge on or after**
36 **November 5, 2002, and who previously has served as either a justice of**
37 **the supreme court or a district judge must receive benefits for retirement,**
38 **benefits for disability and survivor benefits pursuant to either:**

39 **(a) NRS 2.060 to 2.075, inclusive, and section 64 of this act or NRS**
40 **3.090 to 3.097, inclusive, and section 69 of this act, as those sections**
41 **existed on November 5, 2002, if eligible to receive such benefits under**
42 **such provisions; or**

43 **(b) The judicial retirement plan, if eligible to receive such benefits**
44 **under the judicial retirement plan,**
45 **whichever is most beneficial to the justice or judge or his survivor, as**
46 **determined by the justice or judge at the time of his retirement or the**
47 **time at which he becomes disabled, or as determined by his survivor at**
48 **the time of his death, unless he is a member of the public employees'**
49 **retirement system and elects to remain a member pursuant to section 23**



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1 of this act if eligible to do so. A survivor may not change a determination
2 that affects the survivor and which was made by a justice or judge
3 pursuant to this section while the justice or judge was alive.

4 3. A determination made pursuant to subsection 2 is final and if a
5 justice or judge or his survivor determines pursuant to subsection 2:

6 (a) To receive benefits pursuant to the judicial retirement plan, the
7 justice, judge or survivor may not receive benefits pursuant to NRS 2.060
8 to 2.075, inclusive, and section 64 of this act or pursuant to NRS 3.090 to
9 3.097, inclusive, and section 69 of this act; or

10 (b) To receive benefits pursuant to NRS 2.060 to 2.075, inclusive, and
11 section 64 of this act or pursuant to NRS 3.090 to 3.097, inclusive, and
12 section 69 of this act, the justice, judge or survivor may not receive
13 benefits pursuant to the judicial retirement plan.

14 4. No justice of the supreme court or district judge or survivor of a
15 justice of the supreme court or district judge may receive benefits under
16 both this chapter and:

17 (a) NRS 2.060 to 2.075, inclusive, and section 64 of this act; or

18 (b) NRS 3.090 to 3.097, inclusive, and section 69 of this act.

19 5. A justice of the supreme court or district judge or a survivor of a
20 justice of the supreme court or district judge who is receiving retirement
21 allowances pursuant to NRS 2.060 to 2.075, inclusive, and section 64 of
22 this act, or pursuant to NRS 3.090 to 3.097, inclusive, and section 69 of
23 this act, on January 1, 2003, is not eligible for transfer to the judicial
24 retirement plan.

25 **Sec. 23.** 1. A person who is elected or appointed as a justice of the
26 supreme court or district judge on or after November 5, 2002, and takes
27 office on or after January 1, 2003, who is a member of the public
28 employees' retirement system established pursuant to chapter 286 of NRS
29 on the date that he is elected or appointed may withdraw from the public
30 employees' retirement system and become a member of the judicial
31 retirement plan if:

32 (a) He has not been elected or appointed as a justice or judge before
33 November 5, 2002, while a member of the public employees' retirement
34 system; and

35 (b) He gives written notice to the board of his intention to withdraw
36 from the public employees' retirement system and become a member of
37 the judicial retirement plan.

38 2. Written notice pursuant to subsection 1 must be received by the
39 board:

40 (a) If the justice or judge is elected, by March 31 of the year following
41 the year in which he was elected; or

42 (b) If the justice or judge is appointed, within 90 days after his
43 appointment.

44 3. If the board receives notice pursuant to this section that a justice
45 or judge intends to withdraw from the public employees' retirement
46 system, it shall transfer from the public employees' retirement fund the
47 accrued actuarial liability and credit for service earned by the justice or
48 judge as determined by an actuary of the system. The service so



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1 transferred must be accredited under the judicial retirement plan as if
2 performed in the public employees' retirement system.

3 4. A justice or judge who exercises the option granted by this section
4 may not reestablish the service for which the liabilities were transferred.

5 5. No justice of the supreme court or district judge or survivor of a
6 justice of the supreme court or district judge may receive benefits under
7 both sections 2 to 62, inclusive, of this act and chapter 286 of NRS.

8 6. A justice of the supreme court or district judge or survivor of a
9 justice of the supreme court or district judge who is receiving a
10 retirement allowance from the public employees' retirement system on
11 January 1, 2003, is not eligible for transfer to the judicial retirement
12 plan.

13 **Sec. 24.** 1. A plan under which all justices of the supreme court
14 and district judges who are elected or appointed for the first time as
15 either a justice of the supreme court or district judge on or after
16 November 5, 2002, and who take office on or after January 1, 2003, and
17 who do not elect to remain in the public employees' retirement system, if
18 eligible to do so, must receive benefits for retirement, disability and death
19 is hereby established and must be known as the judicial retirement plan.

20 2. Each justice of the supreme court or district judge elected or
21 appointed for the first time as either a justice of the supreme court or
22 district judge on or after November 5, 2002, and who takes office on or
23 after January 1, 2003, and who does not elect pursuant to section 23 of
24 this act to remain in the public employees' retirement system, if eligible
25 to do so, is a member of the judicial retirement plan.

26 3. Benefits are earned pursuant to the judicial retirement plan in the
27 manner set forth in sections 25 to 62, inclusive, of this act.

28 **Sec. 25.** Except as otherwise required as a result of section 26 of this
29 act:

30 1. A member of the judicial retirement plan who has 5 years of
31 creditable service may purchase up to 5 years of service. The member
32 must pay the full actuarial cost of the service as determined by an
33 actuary of the system.

34 2. A member of the judicial retirement plan may use:

35 (a) All or any portion of the balance of his interest in a qualified trust
36 pursuant to section 401(a) of the Internal Revenue Code, 26 U.S.C. §
37 401(a); or

38 (b) The money contained in an individual retirement account or in an
39 individual retirement annuity of a member, the entire amount of which
40 is:

41 (1) Attributable to a qualified distribution from a qualified trust
42 pursuant to section 401(a) of the Internal Revenue Code, 26 U.S.C. §
43 401(a); and

44 (2) Qualified as an eligible rollover distribution pursuant to section
45 402 of the Internal Revenue Code, 26 U.S.C. § 402,
46 to purchase creditable service pursuant to subsection 1.

47 **Sec. 26.** Notwithstanding any other provision of law, the benefits
48 payable to and the contributions made for the benefit of a member of the
49 judicial retirement plan are limited pursuant to the provisions of sections



1 415(b) and 415(c) of the Internal Revenue Code, 26 U.S.C. §§ 415(b) and
2 415(c), that apply to governmental plans.

3 **Sec. 27.** *Service credit for a member of the judicial retirement plan*
4 *begins on the day after his election or appointment and terminates on the*
5 *day of election of his successor, unless sooner terminated on the day of*
6 *his death, resignation or removal from office.*

7 **Sec. 28.** *Except as otherwise provided in this chapter, a member of*
8 *the judicial retirement plan must not receive credit in the plan for service*
9 *that entitled the member to credit for retirement purposes in any other*
10 *retirement system operated by the federal or a state government, or any*
11 *of their agencies or political subdivisions, including, without limitation,*
12 *the Social Security Act.*

13 **Sec. 29.** 1. *A member of the judicial retirement plan is eligible to*
14 *retire at the age of 65 years if he has at least 5 years of service, at the age*
15 *of 60 years if he has at least 10 years of service, and at any age if he has*
16 *at least 30 years of service.*

17 2. *Any member of the judicial retirement plan who has the years of*
18 *creditable service necessary to retire, but has not attained the required*
19 *age, if any, may retire at any age with a benefit actuarially reduced to the*
20 *required retirement age. Except as otherwise required as a result of*
21 *section 26 of this act, a retirement benefit under this subsection must be*
22 *reduced by 4 percent of the unmodified benefit for each full year that the*
23 *member is under the appropriate retirement age, and an additional 0.33*
24 *percent for each additional month that the member is under the*
25 *appropriate retirement age. Any option selected under this subsection*
26 *must be reduced by an amount proportionate to the reduction provided in*
27 *this subsection for the unmodified benefit. The board may adjust the*
28 *actuarial reduction based upon an experience study of the system and*
29 *recommendation by the actuary.*

30 **Sec. 30.** 1. *Except as otherwise provided in subsection 3 and*
31 *section 31 of this act, if a retired justice or judge accepts employment as a*
32 *justice of the supreme court or district judge in any judicial capacity,*
33 *including, without limitation, employment as a senior justice or senior*
34 *judge of the Nevada court system, he is disqualified from receiving any*
35 *allowances under the judicial retirement plan for the duration of his*
36 *active service.*

37 2. *If a retired justice or judge accepts any employment other than*
38 *that described in subsection 1, the justice or judge is entitled to the same*
39 *allowances as a retired justice or judge who has no employment.*

40 3. *The system may waive for one period of 30 days or less a retired*
41 *justice's or judge's disqualification under this section if the chief justice*
42 *of the supreme court certifies in writing, in advance, that the retired*
43 *justice or judge is recalled to meet an emergency and that no other*
44 *qualified person is immediately available.*

45 **Sec. 31.** 1. *A retired justice or judge who accepts employment as a*
46 *justice of the supreme court or district judge in any judicial capacity,*
47 *including, without limitation, employment as a senior justice or senior*
48 *judge of the Nevada court system, may enroll in the judicial retirement*



1 *plan as of the effective date of that employment. As of the date of*
2 *enrollment:*

3 *(a) He forfeits all retirement allowances for the duration of that*
4 *employment; and*

5 *(b) Except as otherwise required as a result of section 26 or 33 of this*
6 *act, if the duration of the employment is at least 6 months, he gains*
7 *additional service credit for that employment and is entitled to have a*
8 *separate service retirement allowance calculated based on his*
9 *compensation and service, effective upon the termination of that*
10 *employment. If the duration of the employment is:*

11 *(1) Less than 5 years, the additional allowance must be added to his*
12 *original allowance and must be under the same option and designated*
13 *the same beneficiary as the original allowance; or*

14 *(2) Five years or more, the additional allowance may be under any*
15 *option and designate any beneficiary in accordance with section 36 of*
16 *this act.*

17 *2. The original service retirement allowance of such a retired justice*
18 *or judge must not be recalculated based upon the additional service*
19 *credit, nor is he entitled to any of the rights of membership that were not*
20 *in effect at the time of his original retirement. The accrual of service*
21 *credit pursuant to this section is subject to the limits imposed by:*

22 *(a) Section 37 of this act; and*

23 *(b) Section 415 of the Internal Revenue Code, 26 U.S.C. § 415.*

24 *3. Except as otherwise required as a result of section 26 or 33 of this*
25 *act, a retired justice or judge who has been receiving a retirement*
26 *allowance pursuant to the judicial retirement plan and who is*
27 *reemployed and is enrolled in the plan for at least 5 years may have his*
28 *additional credit for service added to his previous credit for service. This*
29 *additional credit for service must not apply to more than one period of*
30 *employment after the original retirement.*

31 *4. The survivor of a deceased member of the judicial retirement plan*
32 *who had previously retired and was reemployed and enrolled in the plan,*
33 *who qualifies for benefits pursuant to sections 50 to 61, inclusive, of this*
34 *act, is eligible for the benefits based on the service accrued through the*
35 *second period of employment.*

36 **Sec. 32.** *Notwithstanding any other provision of law, every*
37 *distribution to a member of the judicial retirement plan must be made*
38 *pursuant to the provisions of section 401(a)(9) of the Internal Revenue*
39 *Code, 26 U.S.C. § 401(a)(9), that apply to governmental plans.*

40 **Sec. 33.** *Notwithstanding any other provision of law, the amount of*
41 *compensation used to determine the retirement benefit of a member of*
42 *the judicial retirement plan must not exceed the limitation provided by*
43 *section 401(a)(17) of the Internal Revenue Code, 26 U.S.C. § 401(a)(17).*

44 **Sec. 34.** *Forfeitures must not be applied to increase the benefits any*
45 *member of the judicial retirement plan would otherwise receive pursuant*
46 *to the provisions governing the plan as provided by section 401(a)(8) of*
47 *the Internal Revenue Code, 26 U.S.C. § 401(a)(8).*



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1 **Sec. 35.** *1. Applications for service retirement allowances or*
2 *disability retirement allowances must be submitted to the offices of the*
3 *system on forms approved by the executive officer of the board. The form*
4 *must not be deemed filed unless it contains:*

5 *(a) The member of the judicial retirement plan's selection of the*
6 *retirement plan contained in section 37 of this act or one of the optional*
7 *plans provided in section 38 of this act;*

8 *(b) A notarized statement of the marital status of the member of the*
9 *judicial retirement plan; and*

10 *(c) If the member of the system is married, a statement of the spouse's*
11 *consent or objection to the chosen retirement plan, signed by the spouse*
12 *and notarized.*

13 2. *Except as otherwise required by section 32 of this act, retirement*
14 *becomes effective on whichever of the following days is the later:*

15 *(a) The day immediately following the applicant's last day of*
16 *employment;*

17 *(b) The day the completed application form is filed with the system;*

18 *(c) The day immediately following the applicant's last day of*
19 *creditable service; or*

20 *(d) The effective date of retirement specified on the application form.*

21 3. *The selection of a retirement plan by a member of the judicial*
22 *retirement plan and consent or objection to that plan by the spouse*
23 *pursuant to this section does not affect the responsibility of the member*
24 *concerning the rights of any present or former spouse.*

25 4. *The system is not liable for any damages resulting from the false*
26 *designation of marital status by a member of the system or a retired*
27 *justice or judge, or a justice of the supreme court or district judge who*
28 *retires pursuant to NRS 2.060 to 2.075, inclusive, and section 64 of this*
29 *act, or pursuant to NRS 3.090 to 3.097, inclusive, and section 69 of this*
30 *act.*

31 **Sec. 36.** *1. If the spouse of the member of the judicial retirement*
32 *plan does not consent to the retirement plan chosen by the member*
33 *before the date on which the retirement becomes effective pursuant to*
34 *section 35 of this act the system must:*

35 *(a) Notify the spouse that he has 90 days to consent or have the*
36 *member change his selection; and*

37 *(b) Pay the retirement at the amount calculated for Option 2 provided*
38 *in section 38 of this act until the spouse consents or for 90 days,*
39 *whichever is less.*

40 2. *Upon consent of the spouse or at the end of the 90 days, the*
41 *retirement benefit must be recalculated and paid under the terms of the*
42 *option originally selected by the member retroactively to the date on*
43 *which the retirement became effective.*

44 **Sec. 37.** *Except as otherwise required as a result of section 26 or 33*
45 *of this act:*

46 1. *Except as otherwise provided in this subsection, a monthly service*
47 *retirement allowance must be determined by multiplying a member of the*
48 *judicial retirement plan's average compensation by 3.4091 percent for*
49 *each year of service, except that a member of the plan is entitled to a*



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benefit of not more than 75 percent of his average compensation with his eligibility for service credit ceasing at 22 years of service.

2. For the purposes of this section, "average compensation" means the average of a member of the plan's 36 consecutive months of highest compensation as certified by the court administrator.

Sec. 38. 1. The alternatives to an unmodified service retirement allowance are as follows:

(a) Option 2 consists of a reduced service retirement allowance payable monthly during the retired justice's or judge's life, with the provision that it continue after his death for the life of the beneficiary whom he nominates by written designation acknowledged and filed with the board at the time of retirement should the beneficiary survive him.

(b) Option 3 consists of a reduced service retirement allowance payable monthly during the retired justice's or judge's life, with the provision that it continue after his death at one-half the rate paid to him and be paid for the life of the beneficiary whom he nominates by written designation acknowledged and filed with the board at the time of retirement should the beneficiary survive him.

(c) Option 4 consists of a reduced service retirement allowance payable monthly during the retired justice's or judge's life, with the provision that it continue after his death for the life of his beneficiary, whom he nominates by written designation acknowledged and filed with the board at the time of the election, should his beneficiary survive him, beginning on the attainment by the surviving beneficiary of age 60 years.

(d) Option 5 consists of a reduced service retirement allowance payable monthly during the retired justice's or judge's life, with the provision that it continue after his death at one-half the rate paid to him and be paid for the life of his beneficiary whom he nominates by written designation acknowledged and filed with the board at the time of the election, should his beneficiary survive him, beginning on the attainment by the surviving beneficiary of age 60 years.

(e) Option 6 consists of a reduced service retirement allowance payable monthly during the retired justice's or judge's life, with the provision that a specific sum per month, which cannot exceed the monthly allowance paid to the retired justice or judge, be paid after his death to the beneficiary for the life of the beneficiary whom he nominates by written designation acknowledged and filed with the board at the time of retirement, should the beneficiary survive him.

(f) Option 7 consists of a reduced service retirement allowance payable monthly during the retired justice's or judge's life, with the provision that a specific sum per month, which cannot exceed the monthly allowance paid to the retired justice or judge, be paid after his death to the beneficiary for the life of the beneficiary whom he nominates by written designation acknowledged and filed with the board at the time of election, should the beneficiary survive him, beginning on the attainment by the surviving beneficiary of age 60 years.

2. Post-retirement allowances must be considered a part of a retired justice's or judge's monthly benefit and included in the allowance paid to a beneficiary under one of the optional plans set forth in this section.



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1 **Sec. 39.** *1. If a member of the judicial retirement plan enters*
2 *retirement status under one of the optional plans described in section 38*
3 *of this act and the designated beneficiary predeceases the retired justice*
4 *or judge, the monthly retirement allowance must be automatically*
5 *adjusted to the unmodified retirement allowance provided in section 37*
6 *of this act.*
7 *2. A retired justice or judge may not change the selected option or*
8 *designated beneficiary after the effective date of retirement except as*
9 *otherwise provided in subsection 3 and subsection 3 of section 31 of this*
10 *act.*
11 *3. A retired justice or judge may cancel his selected option and*
12 *designation of beneficiary and revert to the unmodified retirement*
13 *allowance. He shall make this election by written designation,*
14 *acknowledged and filed with the board. The written election must be*
15 *accompanied by a written, notarized acknowledgment of the change by*
16 *the beneficiary if the beneficiary is the spouse of the retired justice or*
17 *judge. The election to cancel a selected option and revert to the*
18 *unmodified allowance does not abrogate any obligation of the retired*
19 *justice or judge respecting community property.*
20 *4. The termination or adjustment of a monthly retirement allowance*
21 *resulting from the death of a justice or judge or beneficiary must not*
22 *become effective until the first day of the month immediately following*
23 *the death of the retired justice or judge or beneficiary.*
24 **Sec. 40.** *Each person who receives benefits from the judicial*
25 *retirement fund pursuant to the system is entitled to receive cost-of-living*
26 *increases equivalent to those provided for retirees and beneficiaries of*
27 *the public employees' retirement system.*
28 **Sec. 41.** *1. In addition to the options provided in NRS 287.023 and*
29 *subject to the requirements of that section, any justice of the supreme*
30 *court or district judge who retires under the conditions set forth in*
31 *section 29 of this act and, at the time of his retirement, was covered or*
32 *had his dependents covered by any group insurance or medical and*
33 *hospital service established pursuant to NRS 287.010 and 287.020, has*
34 *the option of having the executive officer of the board deduct and pay his*
35 *premium or contribution for that group insurance or medical and*
36 *hospital service coverage, as well as the amount due or to become due*
37 *upon any obligation designated by the board pursuant to subsection 2,*
38 *from his monthly retirement allowance until:*
39 *(a) He notifies the executive officer of the board to discontinue the*
40 *deduction; or*
41 *(b) Any of his dependents elect to assume the premium or contribution*
42 *applicable to the dependent's coverage before the death of such a retired*
43 *justice or judge and continue coverage pursuant to NRS 287.023 after*
44 *his death.*
45 *2. The board may adopt regulations to carry out the provisions of*
46 *subsection 1, including, without limitation, regulations governing the*
47 *number and types of obligations, amounts for the payment of which may*
48 *be deducted and paid by the board at the option of the retired justice or*
49 *judge pursuant to this section.*



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1 3. The executive officer of the board, the board and the system are
2 not liable for any damages resulting from errors or omissions concerning
3 the deductions and payment of premiums or contributions authorized
4 pursuant to this section unless willful neglect or gross negligence is
5 proven.

6 Sec. 42. 1. A member of the judicial retirement plan who has 5
7 years or more of service credit and who becomes totally unable to
8 perform his current job or any comparable job for which he is qualified
9 by his training and experience, because of injury or mental or physical
10 illness of a permanent nature is eligible to apply for disability retirement
11 if:

12 (a) Except as otherwise provided in subsection 5, his employment as a
13 justice of the supreme court or district judge will be terminated because
14 of the disability;

15 (b) He is employed as a justice of the supreme court or a district judge
16 at the time of application for disability retirement;

17 (c) He proves that his disability renders him unable to perform the
18 duties of his present position and of any other position he has held within
19 the past year;

20 (d) He files a notarized application for disability retirement with the
21 system which indicates a selection of option and to which is attached a
22 personal statement by the member of the judicial retirement plan,
23 describing the disability, the duties which he can and cannot perform,
24 and any benefits he is entitled to receive for disability from any other
25 public source; and

26 (e) The court administrator files an official statement certifying the
27 member's employment record, record of disability, absences that have
28 occurred because of the disability, the effect upon the work of the
29 member after the disability, and job functions that can and cannot be
30 performed because of the disability.

31 2. Except as otherwise required as a result of section 26 of this act,
32 the amount of the disability retirement allowance must be calculated in
33 the same manner as provided for service retirement calculations in
34 section 37 of this act, except that no reduction for the age of a member of
35 the judicial retirement plan may be made and that the allowance must be
36 reduced by the amount of any other benefit received from any source on
37 account of the same disability:

38 (a) If the benefit is provided or was purchased by the expenditure of
39 money by a Nevada public employer; and

40 (b) To the extent that the total of the unmodified benefit and the other
41 benefit would otherwise exceed his average compensation.

42 3. A member of the judicial retirement plan may apply for disability
43 retirement even if he is eligible for service retirement.

44 4. Each child of a deceased recipient of a disability retirement
45 allowance is entitled to receive the benefits provided by section 55 of this
46 act only if the decedent had not reached the age and completed the
47 service required to be eligible for a service retirement allowance, except
48 that these benefits must not be paid to anyone who is named as a
49 beneficiary under one of the options to an unmodified allowance.



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1 5. *If a member of the judicial retirement plan whose application for*
2 *disability retirement has been:*

3 (a) *Approved, dies before his employment is terminated, but within 60*
4 *days after his application was approved; or*

5 (b) *Mailed before his death as indicated by the date of the postmark*
6 *dated by the post office on the envelope in which it was mailed, dies*
7 *before the board has acted upon his application and the board approves*
8 *thereafter his application,*

9 *his beneficiary is entitled to receive an allowance under the option*
10 *selected rather than the benefit otherwise provided for a survivor.*

11 6. *The termination or adjustment of a disability retirement allowance*
12 *resulting from the death of a recipient of an allowance pursuant to this*
13 *section must not become effective until the first day of the month*
14 *immediately following the death of the recipient.*

15 7. *As used in this section, "public employer" has the meaning*
16 *ascribed to it in NRS 286.070.*

17 **Sec. 43.** *The provisions of NRS 286.630, 286.634 and 286.637,*
18 *concerning disability retirement, apply to a member of the judicial*
19 *retirement plan who is receiving a disability retirement allowance*
20 *pursuant to section 42 of this act.*

21 **Sec. 44.** *1. When the recipient of a disability retirement allowance*
22 *is determined by the board to be no longer disabled, his allowance must*
23 *be canceled.*

24 *2. A retired justice or judge who retired on account of disability*
25 *whose benefit is canceled may:*

26 (a) *Suspend his monthly benefit until eligible for service retirement;*
27 *or*

28 (b) *Elect a service retirement reduced for his age if he has the service*
29 *credit necessary to retire.*

30 **Sec. 45.** *1. Except as otherwise provided in subsection 2, whenever*
31 *a recipient of a disability retirement allowance pursuant to section 42 of*
32 *this act returns to employment as a justice of the supreme court or*
33 *district judge, the allowance must be discontinued and his service credit*
34 *at the time of disability retirement must be restored. The member shall*
35 *retire under the same retirement plan previously selected for retirement*
36 *on account of disability if he returns to disability retirement or elects*
37 *service retirement within 1 year after his return to employment.*

38 *2. A recipient of a disability retirement allowance may be employed*
39 *and continue to receive his allowance if he applies to the board for*
40 *approval of the employment before he begins to work and the board*
41 *approves his application. The application must include:*

42 (a) *A full description of the proposed employment; and*

43 (b) *A statement written by the member of the system declaring the*
44 *reasons why the proposed employment should not be found to conflict*
45 *with his disability.*

46 **Sec. 46.** *Any person convicted of the murder or voluntary*
47 *manslaughter of a member of the system is ineligible to receive any*
48 *benefit conferred by any provision of this chapter or NRS 2.060 to 2.075,*
49 *inclusive, and section 64 of this act, or NRS 3.090 to 3.097, inclusive, and*



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1 *section 69 of this act, by reason of the death of that member. The system*
2 *may withhold the payment of any benefit otherwise payable under this*
3 *chapter by reason of the death of any member of the system from any*
4 *person charged with the murder or voluntary manslaughter of that*
5 *member, pending final determination of those charges.*

6 **Sec. 47.** *1. Except as otherwise provided in NRS 31A.150 and*
7 *section 48 of this act and as limited by subsection 2, the right of a person*
8 *to a pension, an annuity, a retirement allowance, the pension, annuity or*
9 *retirement allowance itself, any optional benefit or death benefit or any*
10 *other right accrued or accruing to any person under the provisions of*
11 *this chapter, and the money in the judicial retirement fund, is:*

- 12 *(a) Exempt from all state, county and municipal taxes;*
13 *(b) Not subject to execution, garnishment, attachment or any other*
14 *process;*
15 *(c) Not subject to the operation of any bankruptcy or insolvency law;*
16 *(d) Not assignable, by power of attorney or otherwise; and*
17 *(e) Exempt from assessment for the impairment or insolvency of any*
18 *life or health insurance company.*

19 *2. The system may withhold money from a benefit when the person*
20 *applying for or receiving the benefit owes money to the system.*

21 **Sec. 48.** *1. A person may submit a judgment, decree or order of a*
22 *district court or the supreme court of the State of Nevada relating to child*
23 *support, alimony or the disposition of community property to the*
24 *executive officer of the board or his designee for a determination of*
25 *whether the judgment, decree or order entitles an alternate payee to*
26 *receive from the system all or a portion of the allowance or benefit of a*
27 *member of the judicial retirement plan or a retired justice or judge.*

28 *2. The judgment, decree or order submitted to the executive officer of*
29 *the board or his designee must be signed by a district judge or by the*
30 *justices of the supreme court and entered and certified by the clerk of the*
31 *district court or the clerk of the supreme court.*

32 *3. The executive officer of the board or his designee shall, in*
33 *accordance with rules prescribed by the board, determine whether the*
34 *judgment, decree or order entitles the alternate payee to receive an*
35 *allowance or benefit from the system. An alternate payee is entitled to*
36 *receive an allowance or benefit from the judicial retirement plan if the*
37 *judgment, decree or order:*

38 *(a) Specifies clearly the names, social security numbers and last*
39 *known mailing addresses, if any, of the member of the judicial retirement*
40 *plan or retired justice or judge and the alternate payee;*

41 *(b) Specifies clearly the amount, percentage or manner of determining*
42 *the amount of the allowance or benefit of the member of the judicial*
43 *retirement plan or retired justice or judge that must be paid by the system*
44 *to each alternate payee;*

45 *(c) Specifically directs the system to pay an allowance or benefit to the*
46 *alternate payee;*

47 *(d) Does not require the system to provide an allowance or benefit or*
48 *any option not otherwise provided under this chapter; and*



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1 (e) Does not require the payment of an allowance or benefit to an
2 alternate payee before the retirement of a member of the judicial
3 retirement plan.

4 4. For the purposes of this subsection, "alternate payee" means a
5 spouse, former spouse, child or other dependent of a member of the
6 judicial retirement plan or retired justice or judge who, pursuant to a
7 judgment, decree or order relating to child support, alimony or the
8 disposition of community property, is entitled to receive all or a portion of
9 the allowance or benefit of a member or retired justice or judge from the
10 system.

11 **Sec. 49. 1.** Any check for benefits which has not been paid within
12 5 years after being transferred to the account for unclaimed benefits
13 must be transferred to the judicial retirement fund.

14 2. If, within 6 years after a check for benefits has been transferred
15 pursuant to subsection 1, any person appears and claims the money, the
16 claimant may file a petition in the district court for Carson City stating
17 the nature of his claim, with an appropriate prayer for the relief
18 demanded. A copy of the petition must be served upon the attorney
19 general before or at the time it is filed. Within 20 days after service, the
20 attorney general shall appear in the proceeding and respond to the
21 petition. If, after examining all the facts, the attorney general is
22 convinced that the system has no legal defense against the petition, he
23 may, with the consent of the court, confess judgment on behalf of the
24 system.

25 3. If judgment is not confessed, the petition must be considered at
26 issue on the 20th day after its filing, and may be heard by the court on
27 that day, or at such future day as the court may order. Upon the hearing,
28 the court shall examine into the claim and hear the allegations and
29 proofs. If the court finds that the claimant is entitled to any money
30 transferred pursuant to subsection 1 to the judicial retirement fund, it
31 shall order the board to pay the money forthwith to the claimant, but
32 without interest or cost to the board.

33 4. All persons, except minors and persons of unsound mind, who fail
34 to appear and file their petitions within the time limited in subsection 1
35 are forever barred. Minors and persons of unsound mind may appear
36 and file their petitions at any time within 5 years after their respective
37 disabilities are removed.

38 **Sec. 50.** As used in sections 50 to 60, inclusive, of this act, unless the
39 context otherwise requires, the words and terms defined in sections 51,
40 52 and 53 of this act have the meanings ascribed to them in those
41 sections.

42 **Sec. 51.** "Child" means an unmarried person under 18 years of age
43 who is the issue or legally adopted child of a deceased member of the
44 judicial retirement plan. As used in this section, "issue" means the
45 progeny or biological offspring of the deceased member.

46 **Sec. 52.** "Dependent parent" means the surviving parent of a
47 deceased member of the judicial retirement plan who was dependent
48 upon the deceased member for at least 50 percent of his support for at
49 least 6 months immediately preceding the death of the deceased member.



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1 *Sec. 53. "Spouse" means the surviving husband or wife of a*
2 *deceased member of the judicial retirement plan.*

3 *Sec. 54. 1. Except as otherwise provided in subsection 3, if a*
4 *deceased member of the judicial retirement plan had 2 years of*
5 *accredited contributing service in the 2 1/2 years immediately preceding*
6 *his death, or if the employee had 10 or more years of accredited*
7 *contributing service, certain of his dependents are eligible for payments*
8 *as provided in sections 50 to 60, inclusive, of this act. If the death of the*
9 *member resulted from a mental or physical condition which required him*
10 *to leave his position as a justice of the supreme court or district judge or*
11 *go on leave without pay, eligibility pursuant to the provisions of this*
12 *section extends for 18 months after his termination or commencement of*
13 *leave without pay.*

14 *2. If the death of a member of the judicial retirement plan occurs*
15 *while he is on leave of absence for further training and if he met the*
16 *requirements of subsection 1 at the time his leave began, certain of his*
17 *dependents are eligible for payments as provided in subsection 1.*

18 *3. If the death of a member of the judicial retirement plan is caused*
19 *by an occupational disease or an accident arising out of and in the*
20 *course of his employment, no prior contributing service is required to*
21 *make his dependents eligible for payments under sections 50 to 60,*
22 *inclusive, of this act, except that this subsection does not apply to an*
23 *accident occurring while the member is traveling between his home and*
24 *his principal place of employment.*

25 *Sec. 55. 1. Each child of a deceased member of the judicial*
26 *retirement plan is entitled to receive a cumulative benefit of at least \$400*
27 *per month, beginning on the first day of the month following the*
28 *member's death.*

29 *2. Except as otherwise provided in subsections 3 and 4, payments to*
30 *any child cease on the last day of the month of:*

- 31 *(a) His adoption;*
- 32 *(b) His death;*
- 33 *(c) His marriage; or*
- 34 *(d) His attaining the age of 18 years.*

35 *3. These benefits may be paid to the child of a deceased member of*
36 *the judicial retirement plan until the last day of the month of his 23rd*
37 *birthday if he was, at the time of the member's death, and continues*
38 *thereafter to be, a full-time student in any accredited:*

- 39 *(a) High school;*
- 40 *(b) Vocational or technical school; or*
- 41 *(c) College or university.*

42 *4. These benefits may be commenced or extended indefinitely beyond*
43 *a child's 18th birthday if and so long as he is determined by the system to*
44 *be:*

- 45 *(a) Financially dependent; and*
- 46 *(b) Physically or mentally incompetent.*

47 *5. All benefits under this section may be paid by the system to the*
48 *child's:*

- 49 *(a) Surviving parent; or*



1 (b) Legal guardian.

2 6. The board shall establish uniform standards and procedures for
3 determining whether a child is:

4 (a) A full-time student;

5 (b) Financially dependent; and

6 (c) Physically or mentally incompetent.

7 Sec. 56. 1. The spouse of a deceased member of the judicial
8 retirement plan is entitled to receive a cumulative benefit of at least \$450
9 per month. The payments must begin on the first day of the month
10 immediately following the death of the member and must cease on the
11 last day of the month in which the spouse dies.

12 2. The benefits paid pursuant to this section are in addition to any
13 benefits paid pursuant to section 55 of this act.

14 Sec. 57. 1. The spouse of a deceased member of the judicial
15 retirement plan who had 10 or more years of accredited contributing
16 service is entitled to receive a monthly allowance equivalent to that
17 provided by:

18 (a) Option 3 in section 38 of this act, if the deceased member had less
19 than 15 years of service on the date of his death; or

20 (b) Option 2 in section 38 of this act, if the deceased member had
21 more than 15 or more years of service on the date of his death.

22 To apply the provisions of Options 2 and 3, the deceased member shall be
23 deemed to have retired on the date of his death immediately after having
24 named the spouse as beneficiary under the applicable option. This
25 benefit must be computed without any reduction for age for the deceased
26 member. The benefits provided by this subsection must be paid to the
27 spouse for the remainder of the spouse's life.

28 2. The spouse may elect to receive the benefits provided by any one of
29 the following only:

30 (a) This section; or

31 (b) Section 56 of this act.

32 Sec. 58. The spouse of a deceased member of the judicial retirement
33 plan who was fully eligible to retire, both as to service and age, is entitled
34 to receive a monthly allowance equivalent to that provided by option 2 in
35 section 38 of this act. This section does not apply to the spouse of a
36 member who was eligible to retire only under subsection 2 of section 29
37 of this act. For the purposes of applying the provisions of option 2, the
38 deceased member shall be deemed to have retired on the date of his death
39 immediately after having named the spouse as beneficiary under option
40 2. The benefits provided by this section must be paid to the spouse for the
41 remainder of the spouse's life. The spouse may elect to receive the
42 benefits provided by any one of the following only:

43 1. This section;

44 2. Section 56 of this act; or

45 3. Section 57 of this act.

46 Sec. 59. If payments are not made under the provisions of section
47 55, 56 or 57 of this act, the dependent parent of a deceased member of
48 the judicial retirement plan is entitled to receive a cumulative benefit of
49 at least \$400 per month, and if there are two dependent parents, each is



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1 entitled to receive a cumulative benefit of at least \$400 per month.
2 Payments to any parent under this section must cease upon the death of
3 that parent.

4 **Sec. 60.** The amount of each monthly allowance paid as specified in
5 sections 55 to 59, inclusive, of this act must not exceed the deceased
6 member of the judicial retirement plan's average compensation and must
7 be reduced by the amount of any other benefit received from any source:

8 1. If that benefit was provided or purchased by the expenditure of
9 money by this state, except for lump-sum payments under a group
10 insurance program; and

11 2. To the extent that the total of the allowance and the other benefit
12 would otherwise exceed the deceased member's average compensation.

13 **Sec. 61.** 1. Retirement allowances for members of the judicial
14 retirement plan become vested on the date that the member completes 5
15 years of accredited contributing service.

16 2. Benefits for survivors offered pursuant to this chapter become
17 vested on the date that the member of the judicial retirement plan
18 completes 10 years of accredited contributing service or becomes entitled
19 to begin receiving benefits or on the date of his death, whichever event
20 occurs first.

21 3. Unless otherwise specifically provided by law, any change in the
22 provisions of this chapter is retroactive for all service of any member of
23 the judicial retirement plan before the date of vesting, but no change may
24 impair any vested allowance or benefit.

25 4. Upon the termination or partial termination of the system, all
26 accrued benefits that are funded become 100 percent vested and
27 nonforfeitable.

28 **Sec. 62.** A person who knowingly makes a false statement, certifies
29 to an incorrect document or withholds information for the purpose of
30 receiving or assisting another person in receiving benefits under this
31 chapter to which he is not entitled is guilty of a gross misdemeanor.

32 **Sec. 63.** NRS 1.365 is hereby amended to read as follows:

33 1.365 1. All of the following claims must be submitted to the ~~court~~
34 ~~administrator,~~ executive officer of the public employees' retirement
35 board who shall ~~act as administrative officer in processing~~ process the
36 claims:

37 ~~1-1~~ (a) Claims of justices of the supreme court under NRS ~~2.050 and~~
38 2.060.

39 ~~2-1~~ (b) Claims of surviving spouses of justices of the supreme court
40 under NRS 2.070.

41 ~~3-1~~ (c) Claims of judges of the district courts under NRS ~~3.030 and~~
42 3.090.

43 ~~4-1~~ (d) Claims of surviving spouses of judges of the district courts
44 under NRS 3.095.

45 2. The following claims must be submitted to the court administrator,
46 who shall act as administrative officer in processing the claims:

47 (a) Claims of justices of the supreme court under NRS 2.050.

48 (b) Claims of judges of the district courts under NRS 3.030.



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1 **Sec. 64.** Chapter 2 of NRS is hereby amended by adding thereto a new
2 section to read as follows:

3 *The provisions of NRS 2.060 to 2.075, inclusive:*

4 1. *Apply only to a justice of the supreme court or a surviving spouse*
5 *or surviving child of a justice of the supreme court who served as a*
6 *justice of the supreme court or district judge before November 5, 2002;*

7 2. *Are administered by the public employees' retirement board*
8 *pursuant to section 11 of this act; and*

9 3. *Are part of the judicial retirement system established pursuant to*
10 *section 11 of this act.*

11 **Sec. 65.** NRS 2.060 is hereby amended to read as follows:

12 2.060 1. Any justice of the supreme court who has served as a justice
13 or judge of a district court in any one or more of those courts for a period
14 or periods aggregating 22 years and has ended such service is, after
15 reaching the age of 60 years, entitled to receive annually from the State of
16 Nevada, as a pension during the remainder of his life, a sum of money
17 equal in amount to three-fourths the sum received as a salary for his
18 judicial services during the last year thereof, payable ~~every 2 weeks from~~
19 ~~money provided by direct legislative appropriation.~~ *monthly from the*
20 *judicial retirement fund established pursuant to section 13 of this act.*

21 2. Any justice of the supreme court who has served as a justice or
22 judge of a district court in any one or more of those courts for a period or
23 periods aggregating 5 years and has ended such service is, after reaching
24 the age of 60 years, entitled to receive annually from the State of Nevada,
25 as a pension during the remainder of his life, a sum of money equal in
26 amount to 4.1666 percent of the sum received as a salary for his judicial
27 services during the last year thereof, payable ~~every 2 weeks from money~~
28 ~~provided by direct legislative appropriation.~~ *monthly from the judicial*
29 *retirement fund established pursuant to section 13 of this act.*

30 3. Any justice of the supreme court who qualifies for a pension under
31 the provisions of subsection 2 is entitled to receive, for each year served
32 beyond 5 years up to a maximum of 22 years, an additional 4.1666 percent
33 of the sum received as a salary for his judicial services during the last year
34 thereof, payable as provided in subsection 2.

35 4. Any justice who has retired pursuant to subsection 3 and is
36 thereafter recalled to additional active service in the court system is entitled
37 to receive credit toward accumulating 22 years' service for the maximum
38 pension based upon the time he actually spends in the additional active
39 service.

40 5. Any justice who has the years of service necessary to retire but has
41 not attained the required age may retire at any age with a benefit actuarially
42 reduced to the required retirement age. A benefit under this subsection
43 must be reduced in the same manner as benefits are reduced for persons
44 retired under the public employees' retirement system.

45 6. Any person receiving a pension pursuant to the provisions of this
46 section is entitled to receive post-retirement increases equal to those
47 provided for persons retired under the public employees' retirement
48 system.



1 7. Any justice who desires to receive the benefits of this section must
2 file with the ~~{state controller and the state treasurer}~~ *executive officer of*
3 *the public employees' retirement board* an affidavit setting forth the fact
4 that he is ending his service, the date and place of his birth, and the years
5 he has served in any district court or the supreme court.

6 8. ~~{Upon such notice and filing of the affidavit, the state controller~~
7 ~~shall draw his warrant, payable to the justice who has thus ended his~~
8 ~~service, upon the state treasurer for the sum due to him, and the state~~
9 ~~treasurer shall pay the sum out of money provided by direct legislative~~
10 ~~appropriation.~~

11 ~~—9.—~~ The faith of the State of Nevada is hereby pledged that this section
12 shall not be repealed or amended so as to affect any justice who may have
13 ended his service pursuant to it.

14 **Sec. 66.** NRS 2.065 is hereby amended to read as follows:

15 2.065 1. A justice of the supreme court who has served as a justice or
16 as a district judge in any one or more courts for a period or periods
17 aggregating 5 years or more and who becomes permanently incapacitated,
18 physically or mentally, to perform the duties of his office may retire from
19 office regardless of age.

20 2. Any justice who retires pursuant to the provisions of subsection 1 or
21 who is retired because of advanced age or mental or physical disability
22 pursuant to section 21 of article 6 of the constitution of the State of Nevada
23 is entitled to receive annually from the State of Nevada, as a pension
24 during the remainder of his life, the same pension he would receive under
25 NRS 2.060 based on his years of service, but without regard to his age.

26 3. Any justice, or his guardian on his behalf if he is unable to act, who
27 desires to retire voluntarily must give notice in writing to the governor. The
28 governor shall appoint three physicians licensed to practice medicine in the
29 State of Nevada to examine the justice and report the results to the
30 governor in writing. If a majority of the physicians is of the opinion that
31 the justice is permanently incapacitated, physically or mentally, the
32 governor shall approve the retirement. The justice or his guardian must file
33 with the ~~{state controller and state treasurer}~~ *executive officer of the public*
34 *employees' retirement board* an affidavit setting forth the fact of his
35 retirement and the years he has served in either or both of such courts.

36 4. Pensions payable pursuant to this section must be paid in the same
37 manner as pensions are payable under NRS 2.060. Fees and expenses of
38 physicians appointed pursuant to this section must be paid out of funds
39 ~~{provided by direct legislative appropriation.}~~ *from the judicial retirement*
40 *administrative fund established pursuant to section 14 of this act.*

41 5. The faith of the State of Nevada is hereby pledged that this section
42 will not be repealed or amended so as to affect adversely any justice who
43 may have retired or been retired pursuant to its provisions.

44 **Sec. 67.** NRS 2.070 is hereby amended to read as follows:

45 2.070 1. If a justice of the supreme court at the time of his death had
46 retired and was then receiving a pension under the provisions of NRS
47 2.060, or if at the time of his death the justice had not retired but had
48 performed sufficient service for retirement under the provisions of NRS
49 2.060, the surviving spouse, if the spouse has attained the age of 60 years,



1 is entitled, until his death or remarriage, to receive monthly payments of
2 \$2,500 per month.

3 2. If a surviving spouse of a justice is not eligible to receive benefits
4 pursuant to subsection 1, he is entitled, until his death or remarriage or
5 until he becomes eligible to receive those benefits, to receive payments
6 equal in amount to the payment provided in subsection 1 of NRS 286.674
7 for the spouse of a deceased member of the public employees' retirement
8 system.

9 3. To obtain these benefits, the surviving spouse must make
10 application to the ~~board, commission or authority entrusted with the~~
11 ~~administration of the judges' pensions~~ *executive officer of the public*
12 *employees' retirement board* and furnish such information as may be
13 required pursuant to reasonable regulations adopted for the purpose of
14 carrying out the intent of this section.

15 4. Any person receiving a benefit pursuant to the provisions of this
16 section is entitled to receive post-retirement increases equal to those
17 provided for persons retired under the public employees' retirement
18 system.

19 5. It is the intent of this section that no special fund be created for the
20 purpose of paying these benefits, and all payments made under the
21 provisions of this section are to be made out of and charged to ~~any fund~~
22 ~~created for the purpose of paying pension benefits to justices of the~~
23 ~~supreme court.~~ *the judicial retirement fund established pursuant to*
24 *section 13 of this act.*

25 **Sec. 68.** NRS 2.075 is hereby amended to read as follows:

26 2.075 1. Each child of a deceased justice of the supreme court is
27 entitled to receive payments equal in amount to the payments provided in
28 NRS 286.673 for the child of a deceased member of the public employees'
29 retirement system.

30 2. In determining whether a child is a full-time student or financially
31 dependent and physically or mentally incompetent, as provided in NRS
32 286.673, the ~~court administrator~~ *executive officer of the public*
33 *employees' retirement board* shall use any applicable standards and
34 procedures established by the public employees' retirement board.

35 3. It is the intent of this section that no special fund be created for the
36 payment of benefits, and all payments made under the provisions of this
37 section are to be made out of and charged to ~~any fund created for the~~
38 ~~purpose of paying pension benefits to justices of the supreme court.~~ *the*
39 *judicial retirement fund established pursuant to section 13 of this act.*

40 **Sec. 69.** Chapter 3 of NRS is hereby amended by adding thereto a new
41 section to read as follows:

42 *The provisions of NRS 3.090 to 3.097, inclusive:*

43 *1. Apply only to a district judge or a surviving spouse or surviving*
44 *child of a district judge who served as a justice of the supreme court or*
45 *district judge before November 5, 2002;*

46 *2. Are administered by the public employees' retirement board*
47 *pursuant to section 11 of this act; and*

48 *3. Are part of the judicial retirement system established pursuant to*
49 *section 11 of this act.*



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1 **Sec. 70.** NRS 3.090 is hereby amended to read as follows:

2 3.090 1. Any judge of the district court who has served as a justice of
3 the supreme court or judge of a district court in any one or more of those
4 courts for a period or periods aggregating 22 years and has ended such
5 service is, after reaching the age of 60 years, entitled to receive annually
6 from the State of Nevada, as a pension during the remainder of his life, a
7 sum of money equal in amount to three-fourths the sum received as a
8 salary for his judicial services during the last year thereof, payable ~~every 2~~
9 ~~weeks from money provided by direct legislative appropriation.~~ *monthly*
10 *from the judicial retirement fund established pursuant to section 13 of*
11 *this act.*

12 2. Any judge of the district court who has served as a justice of the
13 supreme court or judge of a district court in any one or more of those
14 courts for a period or periods aggregating 5 years and has ended such
15 service is, after reaching the age of 60 years, entitled to receive annually
16 from the State of Nevada, as a pension during the remainder of his life, a
17 sum of money equal in amount to 4.1666 percent of the sum received as a
18 salary for his judicial services during the last year thereof, payable ~~every 2~~
19 ~~weeks from money provided by direct legislative appropriation.~~ *monthly*
20 *from the judicial retirement fund established pursuant to section 13 of*
21 *this act.*

22 3. Any judge of the district court who qualifies for a pension under the
23 provisions of subsection 2 is entitled to receive, for each year served
24 beyond 5 years up to a maximum of 22 years, an additional 4.1666 percent
25 of the sum received as a salary for his judicial services during the last year
26 thereof, payable as provided in subsection 2.

27 4. Any judge who has retired pursuant to subsection 3 and is thereafter
28 recalled to additional active service in the court system is entitled to
29 receive credit toward accumulating 22 years' service for the maximum
30 pension based upon the time he actually spends in the additional active
31 service.

32 5. Any district judge who has the years of service necessary to retire
33 but has not attained the required age may retire at any age with a benefit
34 actuarially reduced to the required retirement age. A retirement benefit
35 under this subsection must be reduced in the same manner as benefits are
36 reduced for persons retired under the public employees' retirement system.

37 6. Any person receiving a pension pursuant to the provisions of this
38 section is entitled to receive post-retirement increases equal to those
39 provided for persons retired in the public employees' retirement system.

40 7. Any judge of the district court who desires to receive the benefits of
41 this section must file with the ~~state controller and the state treasurer~~
42 *executive officer of the public employees' retirement board* an affidavit
43 setting forth the fact that he is ending his service, the date and place of his
44 birth, and the years he has served in any district court or the supreme court.

45 8. ~~Upon such notice and filing of the affidavit, the state controller~~
46 ~~shall draw his warrant, payable to the judge who has thus ended his~~
47 ~~service, upon the state treasurer for the sum due to him, and the state~~
48 ~~treasurer shall pay the sum out of money provided by direct legislative~~
49 ~~appropriation.~~



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1 ~~9.1~~ The faith of the State of Nevada is hereby pledged that this section
2 shall not be repealed or amended so as to affect any judge of the district
3 court who may have ended his service pursuant to it.

4 **Sec. 71.** NRS 3.092 is hereby amended to read as follows:

5 3.092 1. A district judge who has served as a district judge or as a
6 justice of the supreme court in any one or more courts for a period or
7 periods aggregating 5 years or more and who becomes permanently
8 incapacitated, physically or mentally, to perform the duties of his office
9 may retire from office regardless of age.

10 2. Any district judge who retires pursuant to the provisions of
11 subsection 1 or who is retired because of advanced age or physical or
12 mental disability pursuant to section 21 of article 6 of the constitution of
13 the State of Nevada is entitled to receive annually from the State of
14 Nevada, a pension for the remainder of his life, the same pension he would
15 receive under NRS 3.090 based on his years of service but without regard
16 to his age.

17 3. Any judge, or his guardian on his behalf if he is unable to act, who
18 desires to retire voluntarily must give notice in writing to the governor. The
19 governor shall appoint three physicians licensed to practice medicine in the
20 State of Nevada to examine the judge and report the results to the governor
21 in writing. If a majority of the physicians is of the opinion that the judge is
22 permanently incapacitated, physically or mentally, the governor shall
23 approve the retirement. The judge or his guardian must file with the ~~state~~
24 ~~controller and the state treasurer~~ *executive officer of the public*
25 *employees' retirement board* an affidavit setting forth the fact of his
26 retirement and the years he has served in either or both of such courts.

27 4. Pensions payable pursuant to this section must be paid in the same
28 manner as pensions payable under NRS 3.090. Fees and expenses of
29 physicians appointed pursuant to this section must be paid ~~out of funds~~
30 ~~provided by direct legislative appropriation~~ *from the judicial retirement*
31 *administrative fund established pursuant to section 14 of this act.*

32 5. The faith of the State of Nevada is hereby pledged that this section
33 will not be repealed or amended so as to affect adversely any judge who
34 may have retired or been retired pursuant to its provisions.

35 **Sec. 72.** NRS 3.095 is hereby amended to read as follows:

36 3.095 1. If a district judge at the time of his death had retired and
37 was then receiving a pension under the provisions of NRS 3.090, or if at
38 the time of his death the judge had not retired but had performed sufficient
39 service for retirement under the provisions of NRS 3.090, the surviving
40 spouse, if the spouse has attained the age of 60 years, is entitled, until his
41 death or remarriage, to receive monthly payments of \$2,500 per month.

42 2. If a surviving spouse of a judge is not eligible to receive benefits
43 pursuant to subsection 1, he is entitled, until his death or remarriage or
44 until he becomes eligible to receive those benefits, to receive payments
45 equal in amount to the payment provided in subsection 1 of NRS 286.674
46 for the spouse of a deceased member of the public employees' retirement
47 system.

48 3. To obtain these benefits, the surviving spouse must make
49 application to the ~~board, commission or authority entrusted with the~~



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1 ~~administration of the judges' pensions}~~ *executive officer of the public*
2 *employees' retirement fund* and furnish such information as may be
3 required pursuant to reasonable regulations adopted for the purpose of
4 carrying out the intent of this section.

5 4. Any person receiving a benefit pursuant to the provisions of this
6 section is entitled to receive post-retirement increases equal to those
7 provided for persons retired under the public employees' retirement
8 system.

9 5. It is the intent of this section that no special fund be created for the
10 purpose of paying these benefits, and all payments made under the
11 provisions of this section are to be made out of and charged to ~~{any fund~~
12 ~~created for the purpose of paying pension benefits to district judges.}~~ *the*
13 *judicial retirement fund established pursuant to section 13 of this act.*

14 **Sec. 73.** NRS 3.097 is hereby amended to read as follows:

15 3.097 1. Each child of a deceased district judge is entitled to receive
16 payments equal in amount to the payments provided in NRS 286.673 for
17 the child of a deceased member of the public employees' retirement
18 system.

19 2. In determining whether a child is a full-time student or financially
20 dependent and physically or mentally incompetent, as provided in NRS
21 286.673, the ~~{court administrator}~~ *executive officer of the public*
22 *employees' retirement board* shall use any applicable standards and
23 procedures established by the public employees' retirement board.

24 3. It is the intent of this section that no special fund be created for the
25 payment of benefits, and all payments made under the provisions of this
26 section are to be made out of and charged to ~~{any fund created for the~~
27 ~~purpose of paying pension benefits to district judges.}~~ *the judicial*
28 *retirement fund established pursuant to section 13 of this act.*

29 **Sec. 74.** NRS 125.155 is hereby amended to read as follows:

30 125.155 Unless the action is contrary to a premarital agreement
31 between the parties which is enforceable pursuant to chapter 123A of NRS
32 or is prohibited by specific statute:

33 1. In determining the value of an interest in or entitlement to a pension
34 or retirement benefit provided by the public employees' retirement system
35 pursuant to chapter 286 of NRS ~~{}~~ *or the judicial retirement plan*
36 *established pursuant to section 24 of this act*, the court:

37 (a) Shall base its determination upon the number of years or portion
38 thereof that the contributing party was employed and received the interest
39 or entitlement, beginning on the date of the marriage and ending on the
40 date on which a decree of legal separation or divorce is entered; and

41 (b) Shall not base its determination upon any estimated increase in the
42 value of the interest or entitlement resulting from a promotion, raise or any
43 other efforts made by the party who contributed to the interest or
44 entitlement as a result of his continued employment after the date of a
45 decree of legal separation or divorce.

46 2. The court may, in making a disposition of a pension or retirement
47 benefit provided by the public employees' retirement system ~~{}~~ *or the*
48 *judicial retirement plan*, order that the benefit not be paid before the date



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1 on which the participating party retires. To ensure that the party who is not
2 a participant will receive payment for the benefits, the court may:

3 (a) On its own motion or pursuant to an agreement of the parties,
4 require the participating party to furnish a performance or surety bond,
5 executed by the participating party as principal and by a corporation
6 qualified under the laws of this state as surety, made payable to the party
7 who is not a participant under the plan, and conditioned upon the payment
8 of the pension or retirement benefits. The bond must be in a principal sum
9 equal to the amount of the determined interest of the nonparticipating party
10 in the pension or retirement benefits and must be in a form prescribed by
11 the court.

12 (b) On its own motion or pursuant to an agreement of the parties,
13 require the participating party to purchase a policy of life insurance. The
14 amount payable under the policy must be equal to the determined interest
15 of the nonparticipating party in the pension or retirement benefits. The
16 nonparticipating party must be named as a beneficiary under the policy and
17 must remain a named beneficiary until the participating party retires.

18 (c) Pursuant to an agreement of the parties, increase the value of the
19 determined interest of the nonparticipating party in the pension or
20 retirement benefit as compensation for the delay in payment of the benefit
21 to that party.

22 (d) On its own motion or pursuant to an agreement of the parties, allow
23 the participating party to provide any other form of security which ensures
24 the payment of the determined interest of the nonparticipating party in the
25 pension or retirement benefit.

26 3. If a party receives an interest in or an entitlement to a pension or
27 retirement benefit which the party would not otherwise have an interest in
28 or be entitled to if not for a disposition made pursuant to this section, the
29 interest or entitlement and any related obligation to pay that interest or
30 entitlement terminates upon the death of either party unless pursuant to:

31 (a) An agreement of the parties; or

32 (b) An order of the court,

33 a party who is a participant in the public employees' retirement system *or*
34 *the judicial retirement plan* provides an alternative to an unmodified
35 service retirement allowance pursuant to NRS 286.590 ~~or~~ *or section 38 of*
36 *this act.*

37 **Sec. 75.** NRS 154.010 is hereby amended to read as follows:

38 154.010 An estate escheats to and is vested in the State of Nevada for
39 educational purposes if any person dies or has died, within this state, seised
40 of any real or personal estate, and leaving no heirs, representatives or
41 devisees capable of inheriting or holding the estate, and in all cases where
42 there is no owner of the estate capable of holding it. Any balance
43 remaining in a retired employee's or beneficiary's individual account under
44 the public employees' retirement system *or the judicial retirement system*
45 *established pursuant to sections 2 to 62, inclusive, of this act* is not an
46 estate within the meaning of this chapter.

47 **Sec. 76.** NRS 218.5373 is hereby amended to read as follows:

48 218.5373 1. There is hereby created an interim retirement and
49 benefits committee of the legislature to review the operation of the public



1 employees' retirement system , *the judicial retirement system established*
2 *pursuant to sections 2 to 62, inclusive, of this act* and the public
3 employees' benefits program and to make recommendations to the public
4 employees' retirement board and the board of the public employees'
5 benefits program, the legislative commission and the legislature. The
6 interim retirement and benefits committee consists of six members
7 appointed as follows:

8 (a) Three members of the senate, one of whom is the chairman of the
9 committee on finance during the preceding session and two of whom are
10 appointed by the majority leader of the senate.

11 (b) Three members of the assembly, one of whom is the chairman of the
12 committee on ways and means and two of whom are appointed by the
13 speaker of the assembly.

14 2. The immediate past chairman of the senate standing committee on
15 finance is the chairman of the interim retirement and benefits committee
16 for the period ending with the convening of each odd-numbered session of
17 the legislature. The immediate past chairman of the assembly standing
18 committee on ways and means is the chairman of the interim retirement
19 and benefits committee during the next legislative interim, and the
20 chairmanship alternates between the houses of the legislature according to
21 this pattern.

22 3. The interim retirement and benefits committee may exercise the
23 powers conferred on it by law only when the legislature is not in regular or
24 special session and shall meet at the call of the chairman.

25 4. The director of the legislative counsel bureau shall provide a
26 secretary for the interim retirement and benefits committee.

27 5. The members of the interim retirement and benefits committee are
28 entitled to receive the compensation provided for a majority of the
29 members of the legislature during the first 60 days of the preceding
30 session, the per diem allowance provided for state officers and employees
31 generally and the travel expenses provided by NRS 218.2207 for each day
32 of attendance at a meeting of the committee and while engaged in the
33 business of the committee. Per diem allowances, compensation and travel
34 expenses of the members of the committee must be paid from the
35 legislative fund.

36 **Sec. 77.** NRS 286.230 is hereby amended to read as follows:

37 286.230 1. The board shall establish a fund known as the public
38 employees' retirement administrative fund in which must be deposited all
39 administrative fees.

40 2. The board shall fix an administrative fee per capita sufficient to pay
41 the operating expense of the system. Except as otherwise provided by NRS
42 218.23745 ~~H~~ *and section 14 of this act*, the system shall transfer monthly
43 from the respective retirement funds to the public employees' retirement
44 administrative fund the amount of the per capita fee multiplied by the
45 combined number of members and persons receiving allowances from that
46 fund.

47 3. The board may establish a separate and additional administrative fee
48 for police officers and firemen and their public employers to pay the
49 additional expense of maintaining a separate fund and to pay the actual and



1 necessary travel expenses and other expenses, within the limits established
2 by the board, for meetings of the police and firemen's retirement fund
3 advisory committee.

4 **Sec. 78.** NRS 287.023 is hereby amended to read as follows:

5 287.023 1. Whenever an officer or employee of the governing body
6 of any county, school district, municipal corporation, political subdivision,
7 public corporation or other public agency of the State of Nevada retires
8 under the conditions set forth in NRS 286.510 or 286.620 *or section 29 or*
9 *42 of this act* and, at the time of his retirement, was covered or had his
10 dependents covered by any group insurance or medical and hospital service
11 established pursuant to NRS 287.010 and 287.020, the officer or employee
12 has the option upon retirement to cancel or continue any such group
13 insurance or medical and hospital service coverage or join the public
14 employees' benefits program to the extent that such coverage is not
15 provided to him or a dependent by the Health Insurance for the Aged Act,
16 42 U.S.C. §§ 1395 et seq.

17 2. A retired person who continues coverage under the public
18 employees' benefits program shall assume the portion of the premium or
19 membership costs for the coverage continued which the governing body
20 does not pay on behalf of retired officers or employees. A person who joins
21 the public employees' benefits program for the first time upon retirement
22 shall assume all costs for the coverage. A dependent of such a retired
23 person has the option, which may be exercised to the same extent and in
24 the same manner as the retired person, to cancel or continue coverage in
25 effect on the date the retired person dies. The dependent is not required to
26 continue to receive retirement payments from the public employees'
27 retirement system to continue coverage.

28 3. Except as otherwise provided in NRS 287.0235, notice of the
29 selection of the option must be given in writing to the last public employer
30 of the officer or employee within 30 days after the date of retirement or
31 death, as the case may be. If no notice is given by that date, the retired
32 employee and his dependents shall be deemed to have selected the option
33 to cancel the coverage or not to join the public employees' benefits
34 program, as the case may be.

35 4. The governing body of any county, school district, municipal
36 corporation, political subdivision, public corporation or other public
37 agency of this state may pay the cost, or any part of the cost, of group
38 insurance and medical and hospital service coverage for persons eligible
39 for that coverage pursuant to subsection 1, but it must not pay a greater
40 portion than it does for its current officers and employees.

41 **Sec. 79.** NRS 287.0235 is hereby amended to read as follows:

42 287.0235 1. Notwithstanding the provisions of NRS 287.023 and
43 287.045, a person or the surviving spouse of a person who did not, at the
44 time of his retirement pursuant to the conditions set forth in NRS 286.510
45 or 286.620, *or section 29 or 42 of this act*, have the option to participate in
46 the public employees' benefits program may join the public employees'
47 benefits program, to the extent that such coverage is not provided to him or
48 a dependent by the Health Insurance for the Aged Act, 42 U.S.C. §§ 1395
49 et seq., by:



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1 (a) Providing the public employees' retirement board with written
2 notice of his intention to enroll in the public employees' benefits program
3 during a period of open enrollment;

4 (b) Showing evidence of his good health as a condition of enrollment;

5 (c) Accepting the current plan of insurance of the public employees'
6 benefits program and any subsequent changes to the plan; and

7 (d) Paying any portion of the premiums or contributions for the program
8 in the manner set forth in NRS 286.615 ~~§~~ *or section 41 of this act*, which
9 are due after the date of enrollment.

10 The public employees' retirement board shall, beginning on September 1,
11 1997, have a biennial period of open enrollment between September 1 of
12 each odd-numbered year and January 31 of each even-numbered year
13 during which eligible retired persons may join the public employees'
14 benefits program pursuant to this section.

15 2. The public employees' retirement board shall, on or before
16 September 1, 1997, and every September 1 of each odd-numbered year
17 thereafter, notify eligible retired persons described in subsection 1 of the
18 period of open enrollment by:

19 (a) Mailing a notice regarding the period of open enrollment to all
20 retired persons who are, according to its records, eligible to join the public
21 employees' benefits program;

22 (b) Posting a notice of the period of open enrollment at its principal
23 office and at least three other separate prominent places, such as a library,
24 community center or courthouse; and

25 (c) Publicizing the period of open enrollment in any other manner
26 reasonably calculated to inform additional eligible retired persons.

27 3. The public employees' retirement board shall notify the board of the
28 public employees' benefits program of the enrollment of any person on or
29 before March 1 immediately following the period of open enrollment. The
30 board of the public employees' benefits program shall approve or
31 disapprove the request for enrollment within 90 days after receipt of the
32 request. Enrollment shall be deemed to occur on the day the request is
33 approved.

34 4. Enrollment in the public employees' benefits program pursuant to
35 this section excludes claims for expenses for any condition for which
36 medical advice, treatment or consultation was rendered within 12 months
37 before enrollment unless:

38 (a) The person has not received any medical advice, treatment or
39 consultation for a period of 6 consecutive months after enrollment; or

40 (b) The insurance coverage has been in effect more than 12 consecutive
41 months.

42 **Sec. 80.** NRS 287.045 is hereby amended to read as follows:

43 287.045 1. Except as otherwise provided in this section, every officer
44 or employee of the state is eligible to participate in the program on the first
45 day of the month following the completion of 90 days of full-time
46 employment.

47 2. Professional employees of the University and Community College
48 System of Nevada who have annual employment contracts are eligible to
49 participate in the program on:



1 (a) The effective dates of their respective employment contracts, if
2 those dates are on the first day of a month; or

3 (b) The first day of the month following the effective dates of their
4 respective employment contracts, if those dates are not on the first day of a
5 month.

6 3. Every officer or employee who is employed by a participating
7 public agency on a permanent and full-time basis on the date the agency
8 enters into an agreement to participate in the program, and every officer or
9 employee who commences his employment after that date is eligible to
10 participate in the program on the first day of the month following the
11 completion of 90 days of full-time employment.

12 4. Every senator and assemblyman is eligible to participate in the
13 program on the first day of the month following the 90th day after his
14 initial term of office begins.

15 5. An officer or employee of the governing body of any county, school
16 district, municipal corporation, political subdivision, public corporation or
17 other public agency of the State of Nevada who retires under the conditions
18 set forth in NRS 286.510 or 286.620 *or section 29 or 42 of this act* and
19 was not participating in the program at the time of his retirement is eligible
20 to participate in the program 30 days after notice of the selection to
21 participate is given pursuant to NRS 287.023 or 287.0235. The board shall
22 make a separate accounting for these retired persons. For the first year
23 following enrollment, the rates charged must be the full actuarial costs
24 determined by the actuary based upon the expected claims experience with
25 these retired persons. The claims experience of these retired persons must
26 not be commingled with the retired persons who were members of the
27 program before their retirement, nor with active employees of the state.
28 After the first year following enrollment, the rates charged must be the full
29 actuarial costs determined by the actuary based upon the past claims
30 experience of these retired persons since enrolling.

31 6. Notwithstanding the provisions of subsections 1, 3 and 4, if the
32 board does not, pursuant to NRS 689B.580, elect to exclude the program
33 from compliance with NRS 689B.340 to 689B.600, inclusive, and if the
34 coverage under the program is provided by a health maintenance
35 organization authorized to transact insurance in this state pursuant to
36 chapter 695C of NRS, any affiliation period imposed by the program may
37 not exceed the statutory limit for an affiliation period set forth in NRS
38 689B.500.

39 **Sec. 81.** NRS 287.046 is hereby amended to read as follows:

40 287.046 1. Except as otherwise provided in subsection 6, any state or
41 other participating officer or employee who elects to participate in the
42 program may participate, and the department, agency, commission or
43 public agency that employs the officer or employee shall pay the state's
44 share of the cost of the premiums or contributions for the program from
45 money appropriated or authorized as provided in NRS 287.044. Employees
46 who elect to participate in the program must authorize deductions from
47 their compensation for the payment of premiums or contributions for the
48 program.



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1 2. The department of personnel shall pay a percentage of the base
2 amount provided by law for that fiscal year toward the cost of the
3 premiums or contributions for the program for persons retired from the
4 service of the state who have continued to participate in the program.
5 Except as otherwise provided in subsection 3, the percentage to be paid
6 must be calculated as follows:

7 (a) For those persons who retire before January 1, 1994, 100 percent of
8 the base amount provided by law for that fiscal year.

9 (b) For those persons who retire on or after January 1, 1994, with at
10 least 5 years of state service, 25 percent plus an additional 7.5 percent for
11 each year of service in excess of 5 years to a maximum of 137.5 percent,
12 excluding service purchased pursuant to NRS 286.300 ~~H~~ or section 25 of
13 this act, of the base amount provided by law for that fiscal year.

14 3. If the amount calculated pursuant to subsection 2 exceeds the actual
15 premium or contribution for the plan of the program that the retired
16 participant selects, the balance must be credited to the fund for the public
17 employees' benefits program created pursuant to NRS 287.0435.

18 4. For the purposes of subsection 2:

19 (a) Credit for service must be calculated in the manner provided by
20 chapter 286 of NRS.

21 (b) No proration may be made for a partial year of service.

22 5. The department shall agree through the board with the insurer for
23 billing of remaining premiums or contributions for the retired participant
24 and his dependents to the retired participant and to his dependents who
25 elect to continue coverage under the program after his death.

26 6. A senator or assemblyman who elects to participate in the program
27 shall pay the entire premium or contribution for his insurance.

28 **Sec. 82.** NRS 287.0475 is hereby amended to read as follows:

29 287.0475 1. A public employee who has retired pursuant to NRS
30 286.510 or 286.620 or section 29 or 42 of this act, or a retirement program
31 provided pursuant to NRS 286.802, or the surviving spouse of such a
32 retired public employee who is deceased may, in any even-numbered year,
33 reinstate any insurance, except life insurance, which was provided to him
34 and his dependents at the time of his retirement pursuant to NRS 287.010
35 or 287.020 or the program as a public employee by:

36 (a) Giving written notice of his intent to reinstate the insurance to the
37 employee's last public employer not later than January 31, of an even-
38 numbered year;

39 (b) Accepting the public employer's current program or plan of
40 insurance and any subsequent changes thereto; and

41 (c) Paying any portion of the premiums or contributions of the public
42 employer's program or plan of insurance, in the manner set forth in NRS
43 286.615 ~~H~~ or section 41 of this act, which are due from the date of
44 reinstatement and not paid by the public employer.

45 The last public employer shall give the insurer notice of the reinstatement
46 no later than March 31, of the year in which the public employee or
47 surviving spouse gives notice of his intent to reinstate the insurance. The
48 insurer shall approve or disapprove the request for reinstatement within 90
49 days after the date of the request.



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- 1 2. Reinstatement of insurance excludes claims for expenses for any
2 condition for which medical advice, treatment or consultation was rendered
3 within 6 months before reinstatement unless:
4 (a) The person has not received any medical advice, treatment or
5 consultation for a period of 6 consecutive months after the reinstatement;
6 or
7 (b) The reinstated insurance has been in effect more than 12 consecutive
8 months.
9 **Sec. 83.** NRS 286.305 and 286.307 are hereby repealed.
10 **Sec. 84.** The amendatory provisions of this act do not apply to
11 offenses committed in violation of section 62 of this act before January 1,
12 2003.
13 **Sec. 85.** There is hereby appropriated from the state general fund to
14 the judicial retirement fund created pursuant to section 13 of this act the
15 sum of \$14,342,070 for funding the unfunded accrued liability for active
16 members of the judicial retirement system and for partial payments needed
17 to fund the unfunded liability for the inactive justices of the supreme court
18 and district judges.
19 **Sec. 86.** 1. This section and sections 13 and 85 of this act become
20 effective upon passage and approval.
21 2. Sections 1 to 12, inclusive, and 14 to 84, inclusive, of this act
22 become effective on January 1, 2003.

TEXT OF REPEALED SECTIONS

286.305 Eligibility of supreme court justices and district judges for membership in system; restriction on benefits.

1. Any justice of the supreme court and any district judge who became a member before July 1, 1977, may remain a member of the system. Those justices or district judges may choose to gain service credit for previous service as provided in NRS 286.300.

2. The State of Nevada shall be deemed, for the purpose of this chapter, to be the public employer of such justice or judge, and shall contribute to the public employees' retirement fund and the public employees' retirement administrative fund, in the manner provided in this chapter for public employers.

3. Any justice of the supreme court and any district judge who is a member of the system and who qualifies for a pension under the provisions of NRS 2.060 or 3.090 may withdraw from the public employees' retirement fund the amount credited to him in the account. No justice or judge may receive benefits under both this chapter and under NRS 2.060 or 3.090.

286.307 Withdrawal from membership by supreme court justice or district judge; refund of contributions.

1. Any justice of the supreme court or district judge who is a member of the system on July 1, 1979, may withdraw from membership by giving



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written notice to the board of his intention to withdraw from the system and to rely entirely upon the provisions of NRS 2.060 or 3.090 for his retirement.

2. Notice must be received by the board on or before September 30, 1979.

3. When the board receives notice, the system shall promptly refund all employee contributions credited to the account of the justice or judge.

4. A justice or judge who:

(a) Exercises the option granted by this section may not reestablish the service for which the contributions were refunded at any time.

(b) Does not exercise the option must remain a member of the system until he is qualified to exercise the option authorized by subsection 3 of NRS 286.305.

