

ASSEMBLY BILL NO. 431—ASSEMBLYMAN OCEGUERA

MARCH 19, 2001

Referred to Committee on Government Affairs

SUMMARY—Requires public employees' retirement board to establish deferred retirement option plan. (BDR 23-985)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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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 public employees' retirement system; requiring the public employees' retirement board to establish a deferred retirement option plan; 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.** Chapter 286 of NRS is hereby amended by adding thereto a
2 new section to read as follows:
3 1. *The board shall establish and administer a deferred retirement*
4 *option plan pursuant to which a member who participates in the plan*
5 *may receive a partial lump-sum payment and a reduced retirement*
6 *benefit.*
7 2. *The deferred retirement option plan established pursuant to this*
8 *section must:*
9 (a) *To the extent possible, be developed to be cost-neutral to the*
10 *system;*
11 (b) *Limit the participation of a member in the plan to a fixed period of*
12 *not more than 5 years;*
13 (c) *Establish a separate account for each participating member;*
14 (d) *Allow any cost of living increase that a member receives during his*
15 *period of participation in the deferred retirement option plan to be*
16 *credited to his account; and*
17 (e) *Credit interest earned on a member's account to that account.*
18 3. *The board shall adopt regulations necessary to carry out the*
19 *provisions of this section.*



- 1 **Sec. 2.** The public employees' retirement system shall report to the
2 interim finance committee on or before August 1, 2002, its progress on
3 establishing a deferred retirement option plan pursuant to section 1 of this
4 act and any recommendations for legislation necessary to carry out the
5 plan.
6 **Sec. 3.** This act becomes effective on July 1, 2001.

