ASSEMBLY BILL NO. 633-COMMITTEE ON EDUCATION

MARCH 26, 2001

Referred to Committee on Education

SUMMARY—Revises provisions governing public employees' retirement system to authorize certain retired employees to accept employment as teachers. (BDR 23-1300)

FISCAL NOTE: Effect on Local Government: 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; authorizing certain retired employees to accept employment with school districts as teachers without affecting their receipt of retirement allowances under the system; and providing other matters properly relating thereto.

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

Section 1. NRS 286.520 is hereby amended to read as follows: 286.520 1. Except as otherwise provided in [subsections 4, 5 and 6] this section and NRS 286.525, the consequences of the employment of a retired employee are:

- (a) A retired employee who accepts employment or an independent contract with a public employer under this system is disqualified from receiving any allowances under this system for the duration of that employment or contract if:
- (1) He accepted the employment or contract within 90 calendar days after the effective date of his retirement; or
- (2) He is employed in a position which is eligible to participate in this system.
- (b) If a retired employee accepts employment or an independent contract with a public employer under this system more than 90 calendar days after the effective date of his retirement in a position which is not eligible to participate in this system, his allowance under this system terminates upon his earning an amount equal to one-half of the average salary for participating public employees who are not police officers or firemen in any fiscal year, for the duration of that employment or contract.



(c) If a retired employee accepts employment with an employer who is not a public employer under this system, the employee is entitled to the same allowances as a retired employee who has no employment.

- 2. The retired employee and the public employer shall notify the system:
- (a) Within 10 days after the first day of an employment or contract governed by paragraph (a) [;] of subsection 1;
- (b) Within 30 days after the first day of an employment or contract governed by paragraph (b) ; of subsection 1; and
- (c) Within 10 days after a retired employee earns more than one-half of the average salary for participating public employees who are not police officers or firemen in any fiscal year from an employment or contract governed by paragraph (b) [1] of subsection 1.
- 3. For the purposes of this section, the average salary for participating public employees who are not police officers or firemen must be computed on the basis of the most recent actuarial valuation of the system.
- 4. If a retired employee is chosen by election or appointment to fill an elective public office, he is entitled to the same allowances as a retired employee who has no employment, unless he is serving in the same office in which he served and for which he received service credit as a member. A public employer may pay contributions on behalf of such a retired employee to a retirement fund which is not a part of the system in an amount not to exceed the amount of the contributions that the public employer would pay to the system on behalf of a participating public employee who serves in the same office.
- 5. The system may waive for one period of 30 days or less a retired employee's disqualification under this section if the public employer certifies in writing, in advance, that the retired employee is recalled to meet an emergency and that no other qualified person is immediately available.
- 6. A person who accepts employment or an independent contract with either house of the legislature or by the legislative counsel bureau is exempt from the provisions of subsections 1 and 2 for the duration of that employment or contract.
- 7. A retired employee who accepts employment with a school district as a teacher is exempt from the provisions of subsections 1 and 2 for the duration of that employment if the majority of his years of service credit were earned from employment as a teacher.
 - **Sec. 2.** This act becomes effective on July 1, 2001.



