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PROPOSAL:

Assembly Bill No. 542 would allow Assembly and Senate attachés who currently contribute to PERS to vest in PERS after 5 regular legislative sessions.

1. Sec. 21, subsection 3 — Adds a new category for determining service credit for the purpose of Assembly and Senate staffs vesting in PERS.
 - Employees who work full time for at least 6 months during a regular legislative session and who participate in PERS would be eligible for vestment in PERS after having worked 5 regular legislative sessions.
2. Sec. 24, subsection 1 — Recalculates the service credit for those attachés who have not withdrawn their PERS contributions according to the change in Sec. 21.
3. Sec. 24, subsection 2 — Allows those attachés who withdrew their PERS contributions to buy back that service credit according to NRS and recalculates their service credit according to the change in Sec. 21.
4. Sec. 25 — Applies the above mentioned sections retroactively.

CURRENT STATUS AND PROBLEM:

1. The Attorney General's Office considers our staffs to be "intermittent employees" instead of "part-time employees" for retirement purposes.
2. Intermittent employees, who participate in PERS, earn service credit for actual days/hours worked.
 - It takes our attachés 10 legislative sessions, or 20 years, to vest in PERS, the amount of time in which full-time state employees often become eligible to actually retire!
 - Realistically, very few employees are able to work 20 years and be eligible to receive state retirement benefits. A.B. 542 fixes this inequity.

THE CATCH-22:

1. All attachés who, regularly, work more than six months each legislative session, by law, must contribute to PERS (NRS Chapter 286.297(9)).
2. Attachés who work less than six months must contribute to federal Social Security (42 U.S.C.A. §(a)(7)(C)(i)).
3. Since attachés who contribute to PERS are considered to be “intermittent employees,” the likelihood of these staff members becoming vested within the 10-session, or 20-year, requirement seems impossible.
 - The result is our PERS contributing attachés elect to withdraw their contributions each legislative session because they feel vesting is an unrealistic goal.
 - This leaves them with no state or federal retirement benefits (or Social Security) at the end of their legislative careers.

FISCAL IMPACT TO THE STATE:

1. Currently, 66 Senate and Assembly attachés contribute to PERS.
 - 17 of these staff members are employed at other state agencies off session and receive vestment eligibility based on full-time state employment.
 - The remaining 49 staff members (approximately 25 percent of our staffs) work in the private sector or are the second-wage earner in a family unit.
2. The last clause of Sec. 21.3 states, “with credit for actual service for determination of benefit being granted on actual time worked.” This language stipulates that the change would affect only vesting.
3. A.B. 542 does not give any additional benefits beyond those to which our attachés would be entitled to based upon the actual hours they worked.
4. George Pyne, Executive Director, PERS, indicated to our Legal Counsel that if the language was drafted as is done in A.B. 542, the fiscal impact to the State would be minimal.