

SENATE BILL NO. 369—COMMITTEE ON FINANCE

(ON BEHALF OF THE NEVADA SUPREME COURT)

MARCH 28, 2005

Referred to Committee on Finance

SUMMARY—Makes various changes regarding judiciary.
(BDR 1-525)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Contains Appropriation not 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; revising the provisions governing the retirement benefits of retired justices of the Supreme Court and district judges; requiring the Public Employees' Retirement Board to conduct an experience study on the Judicial Retirement System of the employment of certain retired justices and judges; and providing other matters properly related thereto.

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

- 1 **Section 1.** NRS 1A.260 is hereby amended to read as follows:
2 1A.260 1. No person may become a member of the Judicial
3 Retirement System unless he is a justice of the Supreme Court or a
4 district judge.
5 2. Except as otherwise provided in NRS 1A.370, persons
6 retired under the provisions of this chapter who are ~~employed~~
7 ***reemployed*** as a justice of the Supreme Court or district judge ~~in~~
8 ~~any judicial capacity, including, without limitation, employment as a~~
9 ~~senior justice or senior judge of the Nevada Court System,~~ are not
10 eligible to become members of the System.



1 **Sec. 2.** NRS 1A.360 is hereby amended to read as follows:

2 1A.360 1. Except as otherwise provided in ~~{subsection 4 and}~~
3 NRS 1A.370, if a retired justice or judge accepts ~~{employment}~~
4 **reemployment** as a justice of the Supreme Court or district judge ~~{in~~
5 ~~any judicial capacity, including, without limitation, employment as a~~
6 ~~senior justice or senior judge of the Nevada Court System,}~~ he is
7 disqualified from receiving any allowances under the Judicial
8 Retirement Plan for the duration of his active service.

9 2. If a retired justice or judge accepts any employment other
10 than that described in subsection 1, the justice or judge is entitled to
11 the same allowances as a retired justice or judge who has no
12 employment.

13 3. If a retired justice or judge who accepts employment as a
14 justice of the Supreme Court or district judge ~~{in a judicial capacity}~~
15 pursuant to ~~{this section}~~ **subsection 1** elects not to reenroll in the
16 Judicial Retirement Plan pursuant to subsection ~~{H}~~ **2** of NRS
17 1A.370, the Court Administrator may pay contributions on behalf of
18 the retired justice or judge to a retirement fund which is not a part of
19 the Judicial Retirement Plan in an amount not to exceed the amount
20 of the contributions that the Court Administrator would pay to the
21 System on behalf of a participating justice or judge who is employed
22 in a similar position.

23 ~~{4. The System may waive for one period of 30 days or less a~~
24 ~~retired justice's or judge's disqualification under this section if the~~
25 ~~Chief Justice of the Supreme Court certifies in writing, in advance,~~
26 ~~that the retired justice or judge is recalled to meet an emergency and~~
27 ~~that no other qualified person is immediately available.}~~

28 **Sec. 3.** NRS 1A.370 is hereby amended to read as follows:

29 1A.370 1. **Any retired justice or judge may, pursuant to**
30 **rules adopted by the Supreme Court, be recalled to active service,**
31 **be reemployed as a senior justice or senior judge of the Nevada**
32 **Court System, be issued a commission as a senior justice or senior**
33 **judge of the Nevada Court System and be compensated for serving**
34 **as a senior justice or senior judge of the Nevada Court System.**

35 2. A retired justice or judge who accepts ~~{employment}~~
36 **reemployment** as a justice of the Supreme Court or district judge ~~{in~~
37 ~~any judicial capacity, including, without limitation, employment as a~~
38 ~~senior justice or senior judge of the Nevada Court System, may~~
39 ~~enroll}~~ **may reenroll** in the Judicial Retirement Plan as of the
40 effective date of that ~~{employment.}~~ **reemployment.** As of the
41 **effective** date of ~~{enrollment:~~

42 ~~—(a) He}~~ **reemployment:**

43 **(a) Except as otherwise provided in paragraph (b), he** forfeits
44 all retirement allowances for the duration of that employment; and



(b) *If he accepts reemployment as a senior justice or senior judge of the Nevada Court System, he does not forfeit any retirement allowances for the duration of that employment.*

3. Except as otherwise required as a result of NRS 1A.400 or 1A.410, if the duration of the employment *of a retired justice or judge who reenrolls in the Judicial Retirement Plan pursuant to subsection 2* is at least 6 months, he gains additional service credit for that employment and is entitled to have a separate service retirement allowance calculated based on his compensation and service, effective upon the termination of that employment. If the duration of the employment is:

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

~~2~~ (b) Five years or more, the additional allowance may be under any option and designate any beneficiary in accordance with NRS 1A.430.

~~3~~ 4. The original service retirement allowance of such a retired justice or judge must not be recalculated based upon the additional service, ~~4~~ ~~credit,~~ nor is he entitled to any of the rights of membership that were not in effect at the time of his original retirement. The accrual of service credit pursuant to this section is subject to the limits imposed by:

(a) NRS 1A.440; and

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

~~5~~ 5. Except as otherwise required as a result of NRS 1A.400 or 1A.410, *upon serving as senior justice or senior judge for a number of working days that is equivalent to 1 year of service, as determined by the Board, such* a retired justice or judge ~~6~~ ~~who has been receiving a retirement allowance pursuant to the Judicial Retirement Plan and who is reemployed and is enrolled in the Plan for at least 5 years may have his additional credit for service added to his previous credit for service. This additional credit for service must not apply to more than one period of employment after the original retirement.~~

~~7~~ ~~4. The survivor of a deceased member of the Judicial Retirement Plan who had previously retired and was reemployed and enrolled in the Plan, who qualifies for benefits pursuant to NRS 1A.340 and 1A.530 to 1A.670, inclusive, is eligible for the benefits based on the service accrued through the second period of employment.]~~ *earns an additional year of service credit.*

Sec. 4. NRS 1A.460 is hereby amended to read as follows:

1A.460 1. If a member of the Judicial Retirement Plan enters retirement status under one of the optional plans described in NRS 1A.450 and the designated beneficiary predeceases the retired



1 justice or judge, the monthly retirement allowance must be
2 automatically adjusted to the unmodified retirement allowance
3 provided in NRS 1A.440.

4 2. A retired justice or judge may not change the selected option
5 or designated beneficiary after the effective date of retirement
6 except as otherwise provided in subsection 3 . ~~[of this section and~~
7 ~~subsection 3 of NRS 1A.370.]~~

8 3. A retired justice or judge may cancel his selected option and
9 designation of beneficiary and revert to the unmodified retirement
10 allowance. He shall make this election by written designation,
11 acknowledged and filed with the Board. The written election must
12 be accompanied by a written, notarized acknowledgment of the
13 change by the beneficiary if the beneficiary is the spouse of the
14 retired justice or judge. The election to cancel a selected option and
15 revert to the unmodified allowance does not abrogate any obligation
16 of the retired justice or judge respecting community property.

17 4. The termination or adjustment of a monthly retirement
18 allowance resulting from the death of a justice or judge or
19 beneficiary must not become effective until the first day of the
20 month immediately following the death of the retired justice or
21 judge or beneficiary.

22 **Sec. 5.** The Public Employees' Retirement Board shall
23 conduct an experience study on the Judicial Retirement System of
24 the employment of retired justices and judges who participate in the
25 Judicial Retirement System pursuant to NRS 1A.260, 1A.360 and
26 1A.370 for the period between July 1, 2005, and July 1, 2008. The
27 Public Employees' Retirement Board shall submit a report of
28 the study to the Interim Retirement and Benefits Committee of the
29 Legislature on or before December 31, 2008.

30 **Sec. 6.** 1. This act becomes effective on July 1, 2005.

31 2. Sections 1 to 4, inclusive, of this act expire by limitation on
32 June 30, 2009.

