

SENATE BILL NO. 287—SENATOR MATHEWS (BY REQUEST)

MARCH 15, 2007

Referred to Committee on Finance

SUMMARY—Revises the requirements concerning eligibility to participate in the Public Employees' Retirement System as a police officer under certain early retirement provisions. (BDR 23-976)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 public employees' retirement; revising the requirements concerning eligibility to participate in the Public Employees' Retirement System as a police officer under certain early retirement provisions; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, certain members of the Public Employees' Retirement
2 System are eligible to retire earlier than other members of the System if they hold a
3 full-time position with a public employer that participates in the System, the
4 principal duties of which require emotional stability and physical capacity in
5 protecting the public and, as applicable, enforcing state and local laws or
6 controlling and extinguishing fires, or they were promoted or transferred from such
7 a position by the same or a different public employer to a position related to those
8 same principal duties. (NRS 286.042, 286.061, 286.510) Using these criteria, the
9 Public Employees' Retirement Board, which is the governing authority of the
10 System, is required, with the advice of the Interim Retirement and Benefits
11 Committee of the Legislature, to determine which positions are eligible under the
12 early retirement provisions for police officers and firefighters. (NRS 286.211)

13 **Section 1** of this bill revises the definition of "police officer" for purposes of
14 the early retirement provisions as, with certain exceptions, any member of the
15 System in a full-time position with a public employer pursuant to which the person
16 has some or all of the powers of a peace officer. Because persons who have the
17 powers of peace officers are prescribed by or pursuant to state law, **section 1**
18 effectively removes the authority of the Public Employees' Retirement Board to
19 determine which law enforcement positions are eligible under the early retirement



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provisions. **Section 1** does not affect this authority of the Board with respect to firefighters.

Section 5 of this bill makes an appropriation to the Police and Firefighters' Retirement Fund for the additional costs associated with enrolling previously ineligible rangers of the Division of State Parks of the State Department of Conservation and Natural Resources in that Fund for the next biennium.

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

Section 1. NRS 286.061 is hereby amended to read as follows:

286.061 "Police officer" means a member who is ~~1:~~

~~1. Filling~~ **filling** a full-time position with a participating public employer ~~1, the principal duties of which require emotional stability and physical capacity in protecting the public and enforcing the laws of the State of Nevada or any of its political subdivisions.~~

~~2. The former holder of a position defined in subsection 1 who has:~~

~~(a) Earned at least 2 years of creditable service in that position; and~~

~~(b) Been promoted or transferred within the chain of command by the same public employer to a position related to the protection of the public and law enforcement.~~

~~3. The former holder of a position defined in subsection 1 who:~~

~~(a) Has earned at least 2 years of creditable service in that position; and~~

~~(b) Is employed by a different employer in a position that would have been eligible under paragraph (b) of subsection 2 had he remained with his former employer.~~ **pursuant to which the member has some or all of the powers of a peace officer pursuant to NRS 289.150 to 289.360, inclusive.**

2. The term does not include:

(a) A person who has the powers of a peace officer pursuant to subsection 2 of NRS 289.190;

(b) A person who has concurrent power with peace officers pursuant to subsection 3 of NRS 289.190; or

(c) The Commissioner of Insurance or his chief deputy pursuant to NRS 289.310.

Sec. 2. NRS 286.211 is hereby amended to read as follows:

286.211 1. The Board shall, with the advice of the Interim Retirement and Benefits Committee of the Legislature created pursuant to NRS 218.5373:

(a) Adopt regulations for the evaluation of requests **from firefighters** for enrollment under the Police and Firefighters' Retirement Fund; and



(b) Determine those positions eligible under the early retirement provisions for ~~police officers and~~ firefighters.

2. Service in any position which has not been determined by the Board to be eligible does not entitle a member to early retirement as a firefighter. ~~for police officer.~~

Sec. 3. NRS 286.410 is hereby amended to read as follows:

286.410 1. The employee contribution rate must be:

(a) The matching contribution rate for employees and employers that is actuarially determined for police officers and firefighters and for regular members, depending upon the retirement fund in which the member is participating.

(b) Adjusted on the first monthly retirement reporting period commencing on or after July 1 of each odd-numbered year based on the actuarially determined contribution rate indicated in the biennial actuarial valuation and report of the immediately preceding year. The adjusted rate must be rounded to the nearest one-quarter of 1 percent.

2. The employee's portion of the matching contribution rate for employees and employers must not be adjusted in accordance with the provisions of paragraph (b) of subsection 1 if the existing rate is within one-quarter of 1 percent of the actuarially determined rate.

3. From each payroll during the period of his membership, the employer shall deduct the amount of the member's contributions and transmit the deduction to the Board at intervals designated and upon forms prescribed by the Board. The contributions must be paid on compensation earned by a member from his first day of service.

4. Any employee whose position ~~is determined~~ after July 1, 1971, ~~to be~~ *becomes* eligible under the early retirement provisions for police officers and firefighters shall contribute the additional contributions required of police officers and firefighters from July 1, 1971, to the date of his enrollment under the Police and Firefighters' Retirement Fund, if employment in this position occurred before July 1, 1971, or from date of employment in this position to the date of his enrollment under the Police and Firefighters' Retirement Fund, if employment occurs later.

5. Except as otherwise provided in NRS 286.430, the System shall guarantee to each member the return of at least the total employee contributions which the member has made and which were credited to his individual account. These contributions may be returned to the member, his estate or beneficiary or a combination thereof in monthly benefits, a lump-sum refund or both.

6. Disabled members who are injured on the job and receive industrial insurance benefits for temporary total disability remain contributing members of the System for the duration of the benefits if and while the public employer continues to pay the difference



1 between these benefits and his regular compensation. The public
2 employer shall pay the employer contributions on these benefits.

3 **Sec. 4.** The Public Employees' Retirement Board shall allow
4 any person who is serving in a position for which he is enrolled
5 under the Police and Firefighters' Retirement Fund on June 30,
6 2007, but whose position becomes ineligible for enrollment in the
7 Fund on July 1, 2007, under the definition of "police officer" in
8 NRS 286.061, as amended by section 1 of this act, to continue to be
9 eligible under the early retirement provisions for police officers as
10 long as the person remains in that position.

11 **Sec. 5.** There is hereby appropriated from the State General
12 Fund to the Police and Firefighters' Retirement Fund established by
13 NRS 286.225 the sum of \$92,000 for the additional costs associated
14 with the enrollment of rangers of the Division of State Parks of the
15 State Department of Conservation and Natural Resources in that
16 Retirement Fund for the 2007-2009 biennium.

17 **Sec. 6.** This act becomes effective on July 1, 2007.

