

ASSEMBLY BILL NO. 282—ASSEMBLYMEN GANSERT; CARPENTER,
CHRISTENSEN, COBB, GOEDHART, GOICOECHEA, GRADY,
GUSTAVSON, HAMBRICK, HARDY, SETTELMAYER,
STEWART AND WOODBURY

MARCH 10, 2009

Referred to Concurrent Committees on
Government Affairs and Ways and Means

SUMMARY—Revises provisions governing the Public Employees’
Retirement System. (BDR 23-633)

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;
amending the eligibility requirements for retirement of
certain members of the System whose effective date of
membership is on or after July 1, 2009; requiring that a
portion of the unrestricted balance in the State General
Fund at the end of each biennium be deposited in the
Public Employees’ Retirement Fund under certain
circumstances; and providing other matters properly
relating thereto.

Legislative Counsel’s Digest:

Existing law provides that a member of the Public Employees’ Retirement System, other than a police officer or firefighter, is eligible to retire at age 65 if he has at least 5 years of service, at age 60 if he has at least 10 years of service and at any age if he has at least 30 years of service. **Section 1** of this bill provides that a member of the System, other than a police officer or firefighter, whose effective date of membership is on or after July 1, 2009, is eligible to retire at age 65 if he has at least 10 years of service and at age 60 if he has at least 15 years of service. (NRS 286.510)

Section 2 of this bill requires the State Controller to transfer a portion of the unrestricted balance in the State General Fund at the end of each biennium to the Public Employees’ Retirement Fund to the extent that the Public Employees’ Retirement Fund is not at least 90 percent funded.



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

1 **Section 1.** NRS 286.510 is hereby amended to read as follows:
2 286.510 1. Except as otherwise provided in subsections 2 and
3 3, a member of the System is eligible to retire :

4 (a) *If the member has an effective date of membership before*
5 *July 1, 2009*, at age 65 if he has at least 5 years of service, at age 60
6 if he has at least 10 years of service and at any age if he has at least
7 30 years of service.

8 (b) *If the member has an effective date of membership on or*
9 *after July 1, 2009, at age 65 if he has at least 10 years of service*
10 *and at age 60 if he has at least 15 years of service.*

11 2. A police officer or firefighter is eligible to retire at age 65 if
12 he has at least 5 years of service, at age 55 if he has at least 10 years
13 of service, at age 50 if he has at least 20 years of service and at any
14 age if he has at least 25 years of service. Only service performed in
15 a position as a police officer or firefighter, established as such by
16 statute or regulation, service performed pursuant to subsection 3 and
17 credit for military service, may be counted toward eligibility for
18 retirement pursuant to this subsection.

19 3. Except as otherwise provided in subsection 4, a police
20 officer or firefighter who has at least 5 years of service as a police
21 officer or firefighter and is otherwise eligible to apply for disability
22 retirement pursuant to NRS 286.620 because of an injury arising out
23 of and in the course of his employment remains eligible for
24 retirement pursuant to subsection 2 if:

25 (a) He applies to the Board for disability retirement and the
26 Board approves his application;

27 (b) In lieu of a disability retirement allowance, he accepts
28 another position with the public employer with which he was
29 employed when he became disabled as soon as practicable but not
30 later than 90 days after the Board approves his application for
31 disability retirement;

32 (c) He remains continuously employed by that public employer
33 until he becomes eligible for retirement pursuant to subsection 2;
34 and

35 (d) After he accepts a position pursuant to paragraph (b), his
36 contributions are paid at the rate that is actuarially determined for
37 police officers and firefighters until he becomes eligible for
38 retirement pursuant to subsection 2.

39 4. If a police officer or firefighter who accepted another
40 position with the public employer with which he was employed
41 when he became disabled pursuant to subsection 3 ceases to work
42 for that public employer before becoming eligible to retire pursuant



1 to subsection 2, he may begin to receive a disability retirement
2 allowance without further approval by the Board by notifying the
3 Board on a form prescribed by the Board.

4 5. Eligibility for retirement, as provided in this section, does
5 not require the member to have been a participant in the System at
6 the beginning of his credited service.

7 6. Any member who has the years of creditable service
8 necessary to retire but has not attained the required age, if any, may
9 retire at any age with a benefit actuarially reduced to the required
10 retirement age. Except as otherwise required as a result of NRS
11 286.537, a retirement benefit pursuant to this subsection must be
12 reduced by 4 percent of the unmodified benefit for each full year
13 that the member is under the appropriate retirement age, and an
14 additional 0.33 percent for each additional month that the member is
15 under the appropriate retirement age. Any option selected pursuant
16 to this subsection must be reduced by an amount proportionate to
17 the reduction provided in this subsection for the unmodified benefit.
18 The Board may adjust the actuarial reduction based upon an
19 experience study of the System and recommendation by the actuary.

20 **Sec. 2.** Chapter 353 of NRS is hereby amended by adding
21 thereto a new section to read as follows:

22 *1. Except as otherwise provided in subsections 2 and 3, in*
23 *each odd-numbered year after the close of the fiscal year and*
24 *before the issuance of the State Controller's annual report, the*
25 *State Controller, after subtracting from the unrestricted balance of*
26 *the State General Fund as of the close of the fiscal year the*
27 *amount required by subsection 1 of NRS 353.288 and making the*
28 *deposit to the Fund to Stabilize the Operation of the State*
29 *Government required by that subsection, shall deposit an amount*
30 *equal to 25 percent of the remaining unrestricted balance in the*
31 *State General Fund to the credit of the Public Employees'*
32 *Retirement Fund.*

33 *2. The State Controller shall only make deposits to the Public*
34 *Employees' Retirement Fund pursuant to subsection 1 to the*
35 *extent that the Public Employees' Retirement Fund is not at least*
36 *90 percent funded.*

37 *3. For the purposes of this section, a fund shall be deemed to*
38 *be at least 90 percent funded if the actuarial value of the assets of*
39 *the fund is equal to or greater than 90 percent of the actuarial*
40 *accrued liabilities of the fund, as determined in accordance with*
41 *generally accepted accounting principles for government as*
42 *prescribed by the Governmental Accounting Standards Board.*

43 **Sec. 3.** This act becomes effective on July 1, 2009.

