

ASSEMBLY BILL NO. 206—COMMITTEE
ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE LEGISLATIVE COMMITTEE ON EDUCATION)

FEBRUARY 24, 2011

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing the employment of retired public employees. (BDR 23-541)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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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 provisions governing the employment of retired public employees who fill critical labor shortage positions; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, a retired public employee who accepts employment with a
2 public employer under the Public Employees' Retirement System is disqualified
3 from receiving allowances under the System for the duration of the employment
4 under certain circumstances. (NRS 286.520) An exception to this disqualification
5 from the receipt of allowances applies under existing law if a retired public
6 employee fills a position for which there is a critical labor shortage, as designated
7 by a public employer. (NRS 286.523) This bill requires each public employer
8 which designates a position as a critical need position, including the State Board of
9 Examiners, the Nevada Supreme Court, the Board of Regents of the University of
10 Nevada, the board of trustees of each school district, the governing body of a
11 charter school, the governing body of a local government and the Public
12 Employees' Retirement Board, to establish a salary class plan that provides an
13 alternative pay scale for retired public employees who fill those positions.



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

1 **Section 1.** NRS 286.523 is hereby amended to read as follows:
2 286.523 1. It is the policy of this State to ensure that the
3 reemployment of a retired public employee pursuant to this section
4 is limited to positions of extreme need. An employer who desires to
5 employ such a retired public employee to fill a position for which
6 there is a critical labor shortage must make the determination of
7 reemployment based upon the appropriate and necessary delivery of
8 services to the public.

9 2. The provisions of subsections 1 and 2 of NRS 286.520 do
10 not apply to a retired employee who accepts employment or an
11 independent contract with a public employer under the System if:

12 (a) The retired employee fills a position for which there is a
13 critical labor shortage; and

14 (b) At the time of the retired employee's reemployment, the
15 retired employee is receiving:

16 (1) A benefit that is not actuarially reduced pursuant to
17 subsection 6 of NRS 286.510; or

18 (2) A benefit actuarially reduced pursuant to subsection 6 of
19 NRS 286.510 and has reached the required age at which the retired
20 employee could have retired with a benefit that was not actuarially
21 reduced pursuant to subsection 6 of NRS 286.510.

22 3. A retired employee who is reemployed under the
23 circumstances set forth in subsection 2 may reenroll in the System
24 as provided in NRS 286.525.

25 4. Positions for which there are critical labor shortages must be
26 determined in an open public meeting held by the designating
27 authority as follows:

28 (a) Except as otherwise provided in this subsection, the State
29 Board of Examiners shall designate positions in State Government
30 for which there are critical labor shortages.

31 (b) The Supreme Court shall designate positions in the Judicial
32 Branch of State Government for which there are critical labor
33 shortages.

34 (c) The Board of Regents shall designate positions in the
35 Nevada System of Higher Education for which there are critical
36 labor shortages.

37 (d) The board of trustees of each school district shall designate
38 positions within the school district for which there are critical labor
39 shortages.

40 (e) The governing body of a charter school shall designate
41 positions within the charter school for which there are critical labor
42 shortages.



(f) The governing body of a local government shall designate positions with the local government for which there are critical labor shortages.

(g) The Board shall designate positions within the System for which there are critical labor shortages.

5. In determining whether a position is a position for which there is a critical labor shortage, the designating authority shall make findings based upon the criteria set forth in this subsection that support the designation. Before making a designation, the designating authority shall consider all efforts made by the applicable employer to fill the position through other means. The written findings made by the designating authority must include:

(a) The history of the rate of turnover for the position;

(b) The number of openings for the position and the number of qualified candidates for those openings after all other efforts of recruitment have been exhausted;

(c) The length of time the position has been vacant;

(d) The difficulty in filling the position due to special circumstances, including, without limitation, special educational or experience requirements for the position; and

(e) The history and success of the efforts to recruit for the position, including, without limitation, advertising, recruitment outside of this State and all other efforts made.

6. A designating authority that designates a position as a critical need position shall submit to the System its written findings which support that designation made pursuant to subsection 5 on a form prescribed by the System. The System shall compile the forms received from each designating authority and provide a biennial report on the compilation to the Interim Retirement and Benefits Committee of the Legislature.

7. A designating authority shall not designate a position pursuant to subsection 4 as a position for which there is a critical labor shortage for a period longer than 2 years. To be redesignated as such a position, the designating authority must consider and make new findings in an open public meeting as to whether the position continues to meet the criteria set forth in subsection 5.

8. A designating authority shall establish a salary class plan that provides an alternative pay scale for those positions designated as critical need positions by the designating authority. The salary class plan must take into account the simultaneous collection of retirement allowances and a salary by a retired public employee while filling a position designated as a critical need position.



1 **Sec. 2.** This act becomes effective on July 1, 2011.

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