

ASSEMBLY BILL NO. 477—COMMITTEE ON WAYS AND MEANS

MARCH 28, 2011

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to the administration of the Public Employees' Retirement System. (BDR 23-1028)

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; revising provisions relating to the administration of the System; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, the Public Employees' Retirement System is required to
2 establish rules and regulations for transacting its business and for administering the
3 System, subject to any limitations imposed by existing law. Such rules are required
4 to include rules relating to the administration of retirement plans in accordance with
5 federal law. (NRS 286.200) To ensure compliance with federal tax law, this bill
6 eliminates references to the 1991 versions of several sections of the Internal
7 Revenue Code. Thus, the current versions of those Internal Revenue Code
8 provisions would apply where referenced in relation to the administration of the
9 System.

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

1 **Section 1.** NRS 286.533 is hereby amended to read as follows:
2 286.533 Notwithstanding any other provision of law, every
3 distribution to a member must be made pursuant to the provisions of
4 section 401(a)(9) of the Internal Revenue Code , ~~§~~ 26 U.S.C. §
5 401(a)(9) , ~~§, as that section existed on July 5, 1991,~~ that apply to
6 governmental plans.



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1 **Sec. 2.** NRS 286.539 is hereby amended to read as follows:
2 286.539 Forfeitures must not be applied to increase the benefits
3 any member would otherwise receive pursuant to the provisions
4 governing the System as provided by section 401(a)(8) of the
5 Internal Revenue Code , ~~{H} 26 U.S.C. § 401(a)(8) . {D}, as that section~~
6 ~~existed on July 5, 1991.}~~

7 **Sec. 3.** NRS 218C.520 is hereby amended to read as follows:
8 218C.520 Notwithstanding any other provision of law, every
9 distribution to a member of the Legislators' Retirement System
10 must be made pursuant to the provisions of section 401(a)(9) of the
11 Internal Revenue Code , ~~{H} 26 U.S.C. § 401(a)(9) , {D}, as that section~~
12 ~~existed on July 5, 1991.}~~ that apply to governmental plans.

13 **Sec. 4.** NRS 218C.530 is hereby amended to read as follows:
14 218C.530 Notwithstanding any other provision of law, the
15 amount of compensation used to determine the retirement benefit of
16 a member of the Legislators' Retirement System must not exceed
17 the limitation provided by section 401(a)(17) of the Internal
18 Revenue Code , ~~{H} 26 U.S.C. § 401(a)(17) . {D}, as that section~~
19 ~~existed on July 5, 1991.}~~

20 **Sec. 5.** NRS 218C.560 is hereby amended to read as follows:
21 218C.560 Forfeitures must not be applied to increase the
22 benefits any member would otherwise receive pursuant to the
23 provisions governing the Legislators' Retirement System as
24 provided by section 401(a)(8) of the Internal Revenue Code , ~~{H} 26~~
25 ~~U.S.C. § 401(a)(8) . {D}, as that section existed on July 5, 1991.}~~

26 **Sec. 6.** This act becomes effective on July 1, 2011.

