

SENATE BILL NO. 69—COMMITTEE ON FINANCE

(ON BEHALF OF THE NEVADA SUPREME COURT)

PREFILED DECEMBER 20, 2014

Referred to Committee on Finance

SUMMARY—Revises provisions governing judicial retirement.
(BDR 1-496)

FISCAL NOTE: Effect on Local Government: No.
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 the judiciary; revising provisions governing the
benefits of a retired justice or judge; and providing other
matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes a retired justice or judge who accepts employment as a senior justice, senior judge, senior justice of the peace or senior municipal judge of the Nevada Court System to qualify to receive allowances under the Judicial Retirement Plan for the duration of his or her active service if the justice or judge is at least 60 years of age at the time of his or her reemployment and accepts the employment at least 6 months after the effective date of his or her retirement. (NRS 1A.360) **Section 2** of this bill changes the minimum age requirement to a requirement that, at the time of reemployment, the retired justice or judge must be receiving: (1) a benefit that is not actuarially reduced; or (2) a benefit that is actuarially reduced but the retired justice or judge has reached the required age at which he or she could have retired with a benefit that was not actuarially reduced. **Section 2** also reduces the minimum required period before the acceptance of such employment from 6 months to 90 days after the effective date of the retirement of the justice or judge. **Section 2.5** of this bill authorizes a retired justice or judge who is a member of the Public Employees' Retirement System and who accepts employment as a senior justice, senior judge, senior justice of the peace or senior municipal judge with the Nevada Court System to continue to receive allowances under the Public Employees' Retirement System for the duration of that employment.

Additionally, existing law provides that a retired justice or judge who is reemployed and commissioned as a senior justice, senior judge, senior justice of the peace or senior municipal court judge is entitled to receive a retirement allowance in addition to compensation for his or her service and is entitled to receive additional service credit for actual time served if he or she reenrolled in a



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retirement plan. (NRS 2.060, 3.090) Existing law further provides that such provisions, in addition to certain other provisions relating to the benefits of a retired justice or judge, expire by limitation on June 30, 2015. (Chapter 398, Statutes of Nevada 2009, p. 2222) **Section 3** of this bill removes this sunset provision.

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

Section 1. (Deleted by amendment.)

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

1A.360 1. Except as otherwise provided in subsection 4 and NRS 1A.370, if a retired justice or judge accepts employment as a justice of the Supreme Court, judge of the Court of Appeals, district judge, justice of the peace or municipal judge in any judicial capacity, including, without limitation, employment as a senior justice, senior judge, senior justice of the peace or senior municipal judge of the Nevada Court System, the retired justice or judge is disqualified from receiving any allowances under the Judicial Retirement Plan for the duration of his or her active service.

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

3. If a retired justice or judge who accepts employment as a justice of the Supreme Court, judge of the Court of Appeals, district judge, justice of the peace or municipal judge in a judicial capacity pursuant to this section elects not to reenroll in the Judicial Retirement Plan pursuant to subsection 1 of NRS 1A.370, the Court Administrator if the retired justice or judge is a justice of the Supreme Court, a judge of the Court of Appeals or a district judge, the county if the retired justice or judge is a justice of the peace or the city if the retired justice or judge is a municipal judge, may pay contributions on behalf of the retired justice or judge to a retirement fund which is not a part of the Judicial Retirement Plan in an amount not to exceed the amount of the contributions that the Court Administrator, county or city would pay to the System on behalf of a participating justice or judge who is employed in a similar position.

4. The provisions of subsection 1 do not apply to a retired justice or judge who accepts employment as a senior justice, senior judge, senior justice of the peace or senior municipal judge of the Nevada Court System if the retired justice or judge ~~is at least 60 years of age at~~ :

(a) ~~At the time of reemployment~~ ~~and the retired justice or judge accepts~~, **is receiving**:



1 (1) A benefit that is not actuarially reduced pursuant to
2 subsection 2 of NRS 1A.350; or

3 (2) A benefit actuarially reduced pursuant to subsection 2
4 of NRS 1A.350 and the retired justice or judge has reached the
5 required age at which he or she could have retired with a benefit
6 that was not actuarially reduced pursuant to subsection 2 of NRS
7 1A.350; and

8 (b) Accepts the employment at least ~~16 months~~ 90 days after the
9 effective date of his or her retirement pursuant to subsection 2 of
10 NRS 1A.130.

11 **Sec. 2.5.** NRS 286.520 is hereby amended to read as follows:

12 286.520 1. Except as otherwise provided in this section and
13 NRS 286.525, the consequences of the employment of a retired
14 employee are:

15 (a) A retired employee who accepts employment or an
16 independent contract with a public employer under this System is
17 disqualified from receiving any allowances under this System for
18 the duration of that employment or contract if:

19 (1) The retired employee accepted the employment or
20 contract within 90 calendar days after the effective date of the
21 employee's retirement; or

22 (2) The retired employee is employed in a position which is
23 eligible to participate in this System.

24 (b) If a retired employee accepts employment or an independent
25 contract with a public employer under this System more than 90
26 calendar days after the effective date of the employee's retirement in
27 a position which is not eligible to participate in this System, the
28 employee's allowance under this System terminates upon the
29 employee's earning an amount equal to one-half of the average
30 salary for participating public employees who are not police officers
31 or firefighters in any fiscal year, for the duration of that employment
32 or contract.

33 (c) If a retired employee accepts employment with an employer
34 who is not a public employer under this System, the employee is
35 entitled to the same allowances as a retired employee who has no
36 employment.

37 2. The retired employee and the public employer shall notify
38 the System:

39 (a) Within 10 days after the first day of an employment or
40 contract governed by paragraph (a) of subsection 1.

41 (b) Within 30 days after the first day of an employment or
42 contract governed by paragraph (b) of subsection 1.

43 (c) Within 10 days after a retired employee earns more than one-
44 half of the average salary for participating public employees who



are not police officers or firefighters in any fiscal year from an employment or contract governed by paragraph (b) of subsection 1.

3. For the purposes of this section, the average salary for participating public employees who are not police officers or firefighters must be computed on the basis of the most recent actuarial valuation of the System.

4. If a retired employee who accepts employment or an independent contract with a public employer under this System pursuant to this section elects not to reenroll in the System pursuant to subsection 1 of NRS 286.525, the public employer with which the retired employee accepted employment or an independent contract may pay contributions on behalf of the retired employee to a retirement fund which is not a part of the System in an amount not to exceed the amount of the contributions that the public employer would pay to the System on behalf of a participating public employee who is employed in a similar position.

5. If a retired employee is chosen by election or appointment to fill an elective public office, the retired employee is entitled to the same allowances as a retired employee who has no employment, unless the retired employee is serving in the same office in which the retired employee served and for which the retired employee received service credit as a member. A public employer may pay contributions on behalf of such a retired employee to a retirement fund which is not a part of the System in an amount not to exceed the amount of the contributions that the public employer would pay to the System on behalf of a participating public employee who serves in the same office.

6. The System may waive for one period of 30 days or less a retired employee's disqualification under this section if the public employer certifies in writing, in advance, that the retired employee is recalled to meet an emergency and that no other qualified person is immediately available.

7. A person who accepts employment or an independent contract with ~~either~~ :

(a) *Either* house of the Legislature or ~~by~~ the Legislative Counsel Bureau ; or

(b) *The Nevada Court System as a senior justice, senior judge, senior justice of the peace or senior municipal judge,*

➡ is exempt from the provisions of subsections 1 and 2 for the duration of that employment or contract.

8. A person who accepts employment with a volunteer fire department of which all the volunteers have become members of the System pursuant to NRS 286.367 is exempt from the provisions of subsections 1 and 2 for the duration of that employment.



1 **Sec. 3.** Section 11 of chapter 398, Statutes of Nevada 2009, at
2 page 2222, is hereby amended to read as follows:

3 Sec. 11. This act becomes effective on July 1, 2009 . ~~f~~
4 ~~and expires by limitation on June 30, 2015.~~

5 **Sec. 4.** 1. This section and section 3 of this act become
6 effective upon passage and approval.

7 2. Sections 2 and 2.5 of this act become effective on July 1,
8 2015.

