

SENATE BILL NO. 436—COMMITTEE ON FINANCE

(ON BEHALF OF THE DIVISION OF BUDGET AND PLANNING)

MARCH 28, 2011

Referred to Committee on Finance

SUMMARY—Revises provisions concerning pension benefits for justices of the Supreme Court and district judges. (BDR 1-1177)

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 judicial retirement; transferring the responsibility to deposit certain money for the purpose of paying pension benefits to justices of the Supreme Court or district judges from the State of Nevada to the Court Administrator; requiring the State of Nevada to make an appropriation for this purpose; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 **Section 1** of this bill transfers the responsibility to deposit certain money for
2 the purpose of paying pension benefits to justices of the Supreme Court or district
3 judges from the State of Nevada to the Court Administrator. **Section 1** of this bill
4 also requires the State of Nevada to make an appropriation for this purpose.

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

1 **Section 1.** NRS 1A.180 is hereby amended to read as follows:
2 1A.180 1. ~~{Beginning July 1, 2003, the}~~ *The* Court
3 Administrator shall submit to the System for deposit in the Judicial
4 Retirement Fund on behalf of each justice of the Supreme Court or
5 district judge who is a member of the System the percentage of
6 compensation of the member that is determined by the actuary of the
7 System to be required to pay the normal cost incurred in making



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1 payments for such members pursuant to subsection 5 of NRS
2 1A.160 and the administrative expenses of the System that are
3 attributable to such members. Such payments must be:

4 (a) Accompanied by payroll reports that include information
5 deemed necessary by the Board to carry out its duties; and

6 (b) Received by the System not later than 15 days after the
7 calendar month for which the compensation and service credits of
8 members of the System are reported and certified by the Court
9 Administrator. The compensation must be reported separately for
10 each month that it is paid.

11 2. ~~[Beginning July 1, 2003, the State of Nevada]~~ *The State of*
12 *Nevada shall make an appropriation to the Court Administrator*
13 *and the Court Administrator* shall pay to the System for deposit in
14 the Judicial Retirement Fund from any fund created for the purpose
15 of paying pension benefits to justices of the Supreme Court or
16 district judges an amount as the contribution of the State of Nevada
17 as employer which is actuarially determined to be sufficient to
18 provide the System with enough money to pay the benefits for
19 justices of the Supreme Court and district judges for which the
20 System will be liable.

21 3. Upon the participation of a justice of the peace or municipal
22 judge in the Judicial Retirement Plan pursuant to NRS 1A.285, the
23 county or city shall submit to the System for deposit in the Judicial
24 Retirement Fund on behalf of each justice of the peace or municipal
25 judge who is a member of the System the percentage of
26 compensation of the member that is determined by the actuary of the
27 System to be required to pay the normal cost incurred in making
28 payments for such members pursuant to subsection 5 of NRS
29 1A.160 and the administrative expenses of the System that are
30 attributable to such members. Such payments must be:

31 (a) Accompanied by payroll reports that include information
32 deemed necessary by the Board to carry out its duties; and

33 (b) Received by the System not later than 15 days after the
34 calendar month for which the compensation and service credits of
35 members of the System are reported and certified by the county or
36 city. The compensation must be reported separately for each month
37 that it is paid.

38 4. Upon the participation of a justice of the peace or municipal
39 judge in the Judicial Retirement Plan pursuant to NRS 1A.285, the
40 county or city shall pay to the System for deposit in the Judicial
41 Retirement Fund an amount as the contribution of the county or city
42 as employer which is actuarially determined to be sufficient to
43 provide the System with enough money to pay the benefits for
44 justices of the peace and municipal judges for which the System will
45 be liable.



1 5. Except as otherwise provided in this subsection, the total
2 contribution rate that is actuarially determined for members of the
3 Judicial Retirement Plan must be adjusted on the first monthly
4 retirement reporting period commencing on or after July 1 of each
5 odd-numbered year based on the actuarially determined contribution
6 rate indicated in the biennial actuarial valuation and report. The
7 adjusted rate must be rounded to the nearest one-quarter of 1
8 percent. The total contribution rate must not be adjusted pursuant to
9 this subsection if the existing rate is within one-half of 1 percent of
10 the actuarially determined rate.

11 **Sec. 2.** This act becomes effective upon passage and approval.

