## ASSEMBLY BILL NO. 450–COMMITTEE ON GOVERNMENT AFFAIRS

## MARCH 21, 2003

## Referred to Committee on Government Affairs

SUMMARY—Prohibits designation of certain positions in government as being position for which monthly service retirement allowance may be paid when previously retired employee fills position during critical labor shortage. (BDR 23-34)

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; prohibiting the designation of certain positions in government as being a position for which a monthly service retirement allowance may be paid when a previously retired employee fills the position during a critical labor shortage; and providing other matters properly relating thereto.

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

- **Section 1.** NRS 286.523 is hereby amended to read as follows: 286.523 1. The provisions of subsections 1 and 2 of NRS 286.520 do not apply to a retired employee who accepts employment or an independent contract with a public employer under the System if:
- (a) He fills a position for which there is a critical labor shortage; and
  - (b) At the time of his reemployment, he is receiving:
    - (1) An unmodified benefit; or

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- (2) A benefit actuarially reduced pursuant to subsection 6 of NRS 286.510 and has reached the required age at which he could have retired with an unmodified benefit.
- 2. A retired employee who is reemployed under the circumstances set forth in subsection 1 may reenroll in the System as provided in NRS 286.525.
- 3. [Positions] Except as otherwise provided in subsection 5, positions for which there are critical labor shortages must be determined as follows:
- (a) Except as otherwise provided in this subsection, the State Board of Examiners shall designate positions in State Government for which there are critical labor shortages.
- (b) The Supreme Court shall designate positions in the Judicial Branch of State Government for which there are critical labor shortages.
- (c) The Board of Regents shall designate positions in the University and Community College System of Nevada for which there are critical labor shortages.
- (d) The Department of Education shall designate positions with the various school districts for which there are critical labor shortages.
- (e) The governing body of a local government shall designate positions with the local government for which there are critical labor shortages.
- (f) The Board shall designate positions within the System for which there are critical labor shortages.
- 4. In determining whether a position is a position for which there is a critical labor shortage, the designating authority shall **give** consideration to:
- (a) The consider whether:

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- (a) There has been a history of [the] a high rate of turnover for the position;
- (b) [The number of] There have been multiple openings for the position and [the number] a lack of qualified candidates for those openings;
  - (c) The [length of time the] position has been vacant [; and
- (d) The success of recruiting] for longer than 3 months and there have been no qualified candidates during that period; and
- (d) Recruitment of persons in other states to fill the position [.] is likely to be successful.
- 5. A designating authority may not determine that a critical labor shortage exists for a position if the annual salary authorized for that position is more than \$50,000.



Sec. 2. 1. In accordance with the provisions of NRS 286.523, as amended by section 1 of this act, a retired employee

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- (a) Receiving a monthly service retirement allowance under the Public Employees' Retirement System for his previous employment with a public employer under the System; and
- (b) Reemployed in a position that, pursuant to subsection 5 of NRS 286.523, as amended by section 1 of this act, is not eligible to be designated as a position for which there is a critical labor shortage,
- is not eligible to continue receiving such an allowance on or after October 1, 2003, for the duration of that reemployment.
- 2. On or after October 1, 2003, the Public Employees' 13 Retirement System shall cease paying a monthly service retirement 14 allowance to a retired employee who is reemployed in a position that, pursuant to subsection 5 of NRS 286.523, as amended by 16 section 1 of this act, is not eligible to be designated as a position for 17 which there is a critical labor shortage for the duration of that 18 19
- **Sec. 3.** This act becomes effective on July 1, 2003. 20



