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SENATE BILL NO. 328—COMMITTEE ON FINANCE

(ON BEHALF OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM)

MARCH 24, 2005

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Referred to Committee on Finance

**SUMMARY**—Makes various changes related to public retirement systems. (BDR 23-82)

**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.

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AN ACT relating to public retirement systems; eliminating the requirement that judgments, decrees or orders relating to child support, alimony or the disposition of community property submitted to the Executive Officer of the Public Employees' Retirement System include social security numbers; providing for certain children of deceased members of the Public Employees' Retirement System or the Judicial Retirement Plan to continue receiving monthly survivors' benefits after the children reach the age of 18 years; providing for the reinstatement of monthly survivors' benefits to those children who return to full-time student status; specifying that certain justices of the Supreme Court and certain district court judges will remain members of the Public Employees' Retirement System unless they withdraw from the System in writing; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Under existing law, certain public documents concerning domestic relations  
2 that are submitted to the Executive Officer of the Public Employees' Retirement  
3 Board must include the social security numbers of the persons named in the  
4 documents. (NRS 1A.520, 286.6703)

5 This bill eliminates the requirement that social security numbers be included on  
6 those documents.



7 Under existing law, a child of a deceased member of the Judicial Retirement  
8 Plan or Public Employees' Retirement System is eligible to continue to receive a  
9 monthly survivors' benefit under certain conditions after turning 18 years old. The  
10 benefits are paid until the last day of the month of his 23rd birthday if, at the time  
11 of the member's death, the child is, and continues thereafter to be, a full-time  
12 student in an accredited high school, vocational school, college or university. The  
13 benefits cease if the child discontinues full-time study. (NRS 1A.580, 286.673) The  
14 Public Employees' Retirement Board administers the Judicial Retirement Plan and  
15 the Public Employees' Retirement System. (NRS 1A.100, 286.120)

16 This bill requires the Public Employees' Retirement Board to pay a monthly  
17 survivors' benefit to a child of a deceased member if, at the time the child reaches  
18 18 years of age, he is a full-time student. The benefit is paid without regard to the  
19 student's age when the member died. To receive the benefit, the child must be  
20 enrolled in an accredited high school, vocational school, college or university. The  
21 child is entitled to receive the monthly benefit until the last day of the month of his  
22 23rd birthday as long as he is a full-time student during that entire period. If such a  
23 child ceased being a full-time student at any time during that period but  
24 subsequently returned to full-time study during that period, the Board may resume  
25 payment of the monthly benefit.

26 Under existing law, a district court judge or Supreme Court Justice elected  
27 or appointed on or after November 5, 2002, and who takes office on or after  
28 January 3, 2003, must receive benefits under the Judicial Retirement Plan if he is  
29 eligible, unless he is a member of the Public Employees' Retirement System and  
30 elects to remain a member of the System pursuant to NRS 1A.280. (NRS 1A.270,  
31 1A.300) However, NRS 1A.280 provides that a district court judge or Supreme  
32 Court Justice elected or appointed on or after November 5, 2002, who takes office  
33 on or after January 3, 2003, and who is a member of the Public Employees'  
34 Retirement System may withdraw from the System and become a member of the  
35 Judicial Retirement Plan if he provides written notice to the Board of his intention  
36 to withdraw from the System.

37 This bill specifies that a district court judge or Supreme Court Justice elected or  
38 appointed on or after November 5, 2002, who takes office on or after January 3,  
39 2003, and who is a member of the Public Employees' Retirement System remains a  
40 member of the System unless he specifically gives written notice of his intention to  
41 withdraw from the System and become a member of the Judicial Retirement Plan.

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

1 **Section 1.** NRS 286.6703 is hereby amended to read as  
2 follows:

3 286.6703 1. A person may submit a judgment, decree or  
4 order of a district court or the Supreme Court of the State of Nevada  
5 relating to child support, alimony or the disposition of community  
6 property to the Executive Officer or his designee for a determination  
7 of whether the judgment, decree or order entitles an alternate payee  
8 to receive from the System all or a portion of the allowance or  
9 benefit of a member or a retired employee.

10 2. The judgment, decree or order submitted to the Executive  
11 Officer must be signed by a district judge or by the justices of the



1 Supreme Court and entered and certified by the clerk of the district  
2 court or the Clerk of the Supreme Court.

3 3. The Executive Officer or his designee shall, in accordance  
4 with rules prescribed by the Board, determine whether the judgment,  
5 decree or order entitles the alternate payee to receive an allowance  
6 or benefit from the System. An alternate payee is entitled to receive  
7 an allowance or benefit from the System if the judgment, decree or  
8 order:

9 (a) Specifies clearly the names ~~[, social security numbers]~~ and  
10 last known mailing addresses, if any, of the member or retired  
11 employee and the alternate payee;

12 (b) Specifies clearly the amount, percentage or manner of  
13 determining the amount of the allowance or benefit of the member  
14 or retired employee that must be paid by the System to each  
15 alternate payee;

16 (c) Specifically directs the System to pay an allowance or  
17 benefit to the alternate payee;

18 (d) Does not require the System to provide an allowance or  
19 benefit or any option not otherwise provided under this chapter; and

20 (e) Does not require the payment of an allowance or benefit to  
21 an alternate payee before the retirement of a member or the  
22 distribution to or withdrawal of contributions by a member.

23 4. For purposes of this subsection, "alternate payee" means a  
24 spouse, former spouse, child or other dependent of a member or  
25 retired employee who, pursuant to a judgment, decree or order  
26 relating to child support, alimony or the disposition of community  
27 property, is entitled to receive all or a portion of the allowance or  
28 benefit of a member or retired member from the System.

29 **Sec. 2.** NRS 286.673 is hereby amended to read as follows:

30 286.673 1. Except as limited by NRS 286.6775, each child of  
31 a deceased member is entitled to receive a cumulative benefit of at  
32 least \$400 per month, beginning on the first day of the month  
33 following the member's death.

34 2. ~~[Except as otherwise provided in subsections 3 and 4,~~  
35 ~~payments]~~ *Payments* to any child cease on the last day of the month  
36 of:

37 (a) His adoption;

38 (b) His death;

39 (c) His marriage; or

40 (d) ~~[His]~~ *Except as otherwise provided in subsection 3, 4 or 5,*  
41 *his* attaining the age of 18 years.

42 3. ~~[These]~~ *Except as otherwise provided in subsection 4, these*  
43 benefits may be paid to the child of a deceased member until the last  
44 day of the month of his 23rd birthday if, ~~[he was.]~~ at the time ~~[of~~



1 ~~the member's death,] that he attains 18 years, he is,~~ and continues  
2 thereafter to be, a full-time student in any accredited:

- 3 (a) High school;
- 4 (b) Vocational or technical school; or
- 5 (c) College or university.

6 4. *If the Board ceases the payment of benefits to a child of a*  
7 *deceased member who received benefits pursuant to subsection 3*  
8 *because the child ceased being a full-time student, the Board may*  
9 *resume the payment of such benefits until the last day of the*  
10 *month of the child's 23rd birthday if the child returns to full-time*  
11 *status at an accredited:*

- 12 (a) *High school;*
- 13 (b) *Vocational or technical school; or*
- 14 (c) *College or university.*

15 5. These benefits may be commenced or extended indefinitely  
16 beyond a child's 18th birthday if and so long as he is determined by  
17 the System to be:

- 18 (a) Financially dependent; and
- 19 (b) Physically or mentally incompetent.

20 ~~5.] 6.~~ All benefits under this section may be paid by the  
21 System to the child's:

- 22 (a) Surviving parent; or
- 23 (b) Legal guardian.

24 ~~6.] 7.~~ The Board shall establish uniform standards and  
25 procedures for determining whether a child is:

- 26 (a) A full-time student;
- 27 (b) Financially dependent; and
- 28 (c) Physically or mentally incompetent.

29 **Sec. 3.** NRS 1A.270 is hereby amended to read as follows:

30 1A.270 1. Each justice of the Supreme Court or district judge  
31 who is elected or appointed as a justice of the Supreme Court or a  
32 district judge on or after November 5, 2002, who takes office on or  
33 after January 1, 2003, and who previously has not served as either a  
34 justice of the Supreme Court or a district judge must receive benefits  
35 for retirement, benefits for disability and survivor benefits under the  
36 Judicial Retirement Plan, if eligible to receive such benefits under  
37 the Judicial Retirement Plan, unless he is a member of the Public  
38 Employees' Retirement System . ~~[and elects to]~~ *If he is a member*  
39 *of the Public Employees' Retirement System, he will* remain a  
40 member *unless he withdraws from the Public Employees'*  
41 *Retirement System* pursuant to NRS 1A.280 , if eligible to do so.

42 2. Each justice of the Supreme Court or district judge who is  
43 elected or appointed as a justice of the Supreme Court or district  
44 judge on or after November 5, 2002, and who previously has served  
45 as either a justice of the Supreme Court or a district judge and each



1 justice of the Supreme Court or district judge who is serving as a  
2 justice of the Supreme Court or district judge on November 5, 2002,  
3 must receive benefits for retirement, benefits for disability and  
4 survivor benefits pursuant to either:

5 (a) NRS 2.060 to 2.083, inclusive, or 3.090 to 3.099, inclusive,  
6 as those sections existed on November 5, 2002, if eligible to receive  
7 such benefits under such provisions; or

8 (b) The Judicial Retirement Plan, if eligible to receive such  
9 benefits under the Judicial Retirement Plan,

10 ➔ whichever is most beneficial to the justice or judge or his  
11 survivor, as determined by the justice or judge at the time of his  
12 retirement or the time at which he becomes disabled, or as  
13 determined by his survivor at the time of his death, unless he is a  
14 member of the Public Employees' Retirement System . ~~and elects~~  
15 ~~to~~ *If he is a member of the Public Employees' Retirement System,*  
16 *he will remain a member unless he withdraws from the Public*  
17 *Employees' Retirement System* pursuant to NRS 1A.280 , if eligible  
18 to do so. A survivor may not change a determination that affects the  
19 survivor and which was made by a justice or judge pursuant to this  
20 section while the justice or judge was alive.

21 3. A determination made pursuant to subsection 2 is final and  
22 if a justice or judge or his survivor determines pursuant to  
23 subsection 2:

24 (a) To receive benefits pursuant to the Judicial Retirement Plan,  
25 the justice, judge or survivor may not receive benefits pursuant to  
26 NRS 2.060 to 2.083, inclusive, or pursuant to NRS 3.090 to 3.099,  
27 inclusive; or

28 (b) To receive benefits pursuant to NRS 2.060 to 2.083,  
29 inclusive, or pursuant to NRS 3.090 to 3.099, inclusive, the justice,  
30 judge or survivor may not receive benefits pursuant to the Judicial  
31 Retirement Plan.

32 4. No justice of the Supreme Court or district judge or survivor  
33 of a justice of the Supreme Court or district judge may receive  
34 benefits under both this chapter and:

35 (a) NRS 2.060 to 2.083, inclusive; or

36 (b) NRS 3.090 to 3.099, inclusive.

37 5. A justice of the Supreme Court or district judge or a survivor  
38 of a justice of the Supreme Court or district judge who is receiving  
39 retirement allowances pursuant to NRS 2.060 to 2.083, inclusive, or  
40 pursuant to NRS 3.090 to 3.099, inclusive, on January 1, 2003, is  
41 not eligible for transfer to the Judicial Retirement Plan.

42 **Sec. 4.** NRS 1A.280 is hereby amended to read as follows:

43 1A.280 1. A person who is elected or appointed as a justice  
44 of the Supreme Court or district judge on or after November 5,  
45 2002, and takes office on or after January 1, 2003, and who is a



1 member of the Public Employees' Retirement System established  
2 pursuant to chapter 286 of NRS on the date that he is elected or  
3 appointed may withdraw from the Public Employees' Retirement  
4 System and become a member of the Judicial Retirement Plan if he  
5 gives written notice to the Board of his intention to withdraw from  
6 the Public Employees' Retirement System and to become a member  
7 of the Judicial Retirement Plan. Such notice must be given to the  
8 Board within the time set forth in subsection 3 and must be given  
9 the first time that the justice or judge is elected or appointed while  
10 he is a member of the Public Employees' Retirement System.

11 2. A justice or judge may not become a member of the Judicial  
12 Retirement Plan pursuant to subsection 1 if he has previously been  
13 elected or appointed on or after November 5, 2002, and taken office  
14 on or after January 1, 2003, while he was a member of the Public  
15 Employees' Retirement System and he did not give notice of his  
16 intention to withdraw from the Public Employees' Retirement  
17 System and to become a member of the Judicial Retirement Plan in  
18 the manner set forth in this section.

19 3. Written notice given pursuant to subsection 1 must be  
20 received by the Board:

21 (a) If the justice or judge is elected, by March 31 of the year  
22 immediately following the year in which he was elected; or

23 (b) If the justice or judge is appointed, within 90 days after his  
24 appointment.

25 4. If the Board receives notice pursuant to this section that a  
26 justice or judge intends to withdraw from the Public Employees'  
27 Retirement System, it shall transfer from the Public Employees'  
28 Retirement Fund to the Judicial Retirement Plan the accrued  
29 actuarial liability and credit for service earned by the justice or  
30 judge while a member of the Public Employees' Retirement System  
31 as determined by an actuary of the Judicial Retirement System. The  
32 service so transferred must be accredited under the Judicial  
33 Retirement Plan as if performed in the Public Employees'  
34 Retirement System.

35 5. *If the Board does not receive written notice that a justice or*  
36 *judge intends to withdraw from the Public Employees' Retirement*  
37 *System pursuant to subsection 3, the justice or judge will remain a*  
38 *member of the Public Employees' Retirement System.*

39 6. A justice or judge who exercises the option granted by this  
40 section may not reestablish the service for which the liabilities were  
41 transferred.

42 ~~[6.]~~ 7. No justice of the Supreme Court or district judge or  
43 survivor of a justice of the Supreme Court or district judge may  
44 receive benefits under both this chapter and chapter 286 of NRS.



1 ~~[7]~~ 8. A justice of the Supreme Court or district judge or  
2 survivor of a justice of the Supreme Court or district judge who is  
3 receiving a retirement allowance from the Public Employees'  
4 Retirement System on January 1, 2003, is not eligible for transfer to  
5 the Judicial Retirement Plan.

6 **Sec. 5.** NRS 1A.300 is hereby amended to read as follows:

7 1A.300 1. A plan under which all justices of the Supreme  
8 Court and district judges who are elected or appointed for the first  
9 time as either a justice of the Supreme Court or district judge on or  
10 after November 5, 2002, and who take office on or after January 1,  
11 2003, and who ~~[do not elect to remain in]~~ *withdraw from* the Public  
12 Employees' Retirement System, if eligible to do so, must receive  
13 benefits for retirement, disability and death is hereby established  
14 and must be known as the Judicial Retirement Plan.

15 2. Each justice of the Supreme Court or district judge elected  
16 or appointed for the first time as either a justice of the Supreme  
17 Court or district judge on or after November 5, 2002, and who takes  
18 office on or after January 1, 2003, and who ~~[does not elect]~~  
19 *withdraws* pursuant to NRS 1A.280 ~~[to remain in]~~ *from* the Public  
20 Employees' Retirement System, if eligible to do so, is a member of  
21 the Judicial Retirement Plan.

22 3. Benefits are earned pursuant to the Judicial Retirement Plan  
23 in the manner set forth in NRS 1A.120 to 1A.150, inclusive,  
24 1A.190, 1A.240 and 1A.310 to 1A.670, inclusive.

25 **Sec. 6.** NRS 1A.520 is hereby amended to read as follows:

26 1A.520 1. A person may submit a judgment, decree or order  
27 of a district court or the Supreme Court of the State of Nevada  
28 relating to child support, alimony or the disposition of community  
29 property to the Executive Officer of the Board or his designee for a  
30 determination of whether the judgment, decree or order entitles an  
31 alternate payee to receive from the System all or a portion of the  
32 allowance or benefit of a member of the Judicial Retirement Plan or  
33 a retired justice or judge.

34 2. The judgment, decree or order submitted to the Executive  
35 Officer of the Board or his designee must be signed by a district  
36 judge or by the justices of the Supreme Court and entered and  
37 certified by the clerk of the district court or the Clerk of the  
38 Supreme Court.

39 3. The Executive Officer of the Board or his designee shall, in  
40 accordance with rules prescribed by the Board, determine whether  
41 the judgment, decree or order entitles the alternate payee to receive  
42 an allowance or benefit from the System. An alternate payee is  
43 entitled to receive an allowance or benefit from the Judicial  
44 Retirement Plan if the judgment, decree or order:



1 (a) Specifies clearly the names ~~[-, social security numbers]~~ and  
2 last known mailing addresses, if any, of the member of the Judicial  
3 Retirement Plan or retired justice or judge and the alternate payee;

4 (b) Specifies clearly the amount, percentage or manner of  
5 determining the amount of the allowance or benefit of the member  
6 of the Judicial Retirement Plan or retired justice or judge that must  
7 be paid by the System to each alternate payee;

8 (c) Specifically directs the System to pay an allowance or  
9 benefit to the alternate payee;

10 (d) Does not require the System to provide an allowance or  
11 benefit or any option not otherwise provided under this chapter; and

12 (e) Does not require the payment of an allowance or benefit to  
13 an alternate payee before the retirement of a member of the Judicial  
14 Retirement Plan.

15 4. For the purposes of this subsection, "alternate payee" means  
16 a spouse, former spouse, child or other dependent of a member of  
17 the Judicial Retirement Plan or retired justice or judge who,  
18 pursuant to a judgment, decree or order relating to child support,  
19 alimony or the disposition of community property, is entitled to  
20 receive all or a portion of the allowance or benefit of a member or  
21 retired justice or judge from the System.

22 **Sec. 7.** NRS 1A.580 is hereby amended to read as follows:

23 1A.580 1. Each child of a deceased member of the Judicial  
24 Retirement Plan is entitled to receive a cumulative benefit of at least  
25 \$400 per month, beginning on the first day of the month following  
26 the member's death.

27 2. ~~[-Except as otherwise provided in subsections 3 and 4,~~  
28 ~~payments]~~ *Payments* to any child cease on the last day of the month  
29 of:

30 (a) His adoption;

31 (b) His death;

32 (c) His marriage; or

33 (d) ~~[-His]~~ *Except as otherwise provided in subsection 3, 4 or 5,*  
34 *his* attaining the age of 18 years.

35 3. ~~[-These]~~ *Except as otherwise provided in subsection 4, these*  
36 *benefits* may be paid to the child of a deceased member of the  
37 Judicial Retirement Plan until the last day of the month of his 23rd  
38 birthday if , ~~[-he was,]~~ at the time ~~[-of the member's death,]~~ *that he*  
39 *attains 18 years, he is,* and continues thereafter to be, a full-time  
40 student in any accredited:

41 (a) High school;

42 (b) Vocational or technical school; or

43 (c) College or university.

44 4. *If the Board ceases the payment of benefits to a child of a*  
45 *deceased member who received benefits pursuant to subsection 3*





1 *because the child ceased being a full-time student, the Board may*  
2 *resume the payment of such benefits until the last day of the*  
3 *month of the child's 23rd birthday if the child returns to full-time*  
4 *status at an accredited:*

5 (a) *High school;*

6 (b) *Vocational or technical school; or*

7 (c) *College or university.*

8 **5.** These benefits may be commenced or extended indefinitely  
9 beyond a child's 18th birthday if and so long as he is determined by  
10 the System to be:

11 (a) Financially dependent; and

12 (b) Physically or mentally incompetent.

13 ~~5-~~ **6.** All benefits under this section may be paid by the  
14 System to the child's:

15 (a) Surviving parent; or

16 (b) Legal guardian.

17 ~~6-~~ **7.** The Board shall establish uniform standards and  
18 procedures for determining whether a child is:

19 (a) A full-time student;

20 (b) Financially dependent; and

21 (c) Physically or mentally incompetent.

22 **Sec. 8.** This act becomes effective on July 1, 2005.







