
SENATE BILL NO. 328—COMMITTEE ON FINANCE

(ON BEHALF OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM)

MARCH 24, 2005

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.

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; directing the Administrative Office of the Courts to conduct an interim study concerning the salaries paid to justices, judges and judicial officers and the contributions paid to the Judicial Retirement Fund; and providing other matters properly relating thereto.



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
12 Supreme Court and entered and certified by the clerk of the district
13 court or the Clerk of the Supreme Court.

14 3. The Executive Officer or his designee shall, in accordance
15 with rules prescribed by the Board, determine whether the judgment,
16 decree or order entitles the alternate payee to receive an allowance
17 or benefit from the System. An alternate payee is entitled to receive
18 an allowance or benefit from the System if the judgment, decree or
19 order:

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

23 (b) Specifies clearly the amount, percentage or manner of
24 determining the amount of the allowance or benefit of the member
25 or retired employee that must be paid by the System to each
26 alternate payee;

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

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

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

34 4. For purposes of this subsection, "alternate payee" means a
35 spouse, former spouse, child or other dependent of a member or
36 retired employee who, pursuant to a judgment, decree or order
37 relating to child support, alimony or the disposition of community
38 property, is entitled to receive all or a portion of the allowance or
39 benefit of a member or retired member from the System.

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

41 286.673 1. Except as limited by NRS 286.6775, each child of
42 a deceased member is entitled to receive a cumulative benefit of at



1 least \$400 per month, beginning on the first day of the month
2 following the member's death.

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

6 (a) His adoption;

7 (b) His death;

8 (c) His marriage; or

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

11 3. ~~These~~ **Except as otherwise provided in subsection 4, these**
12 benefits may be paid to the child of a deceased member until the last
13 day of the month of his 23rd birthday if, ~~he was,~~ at the time ~~of~~
14 ~~the member's death,~~ **that he attains 18 years, he is,** and continues
15 thereafter to be, a full-time student in any accredited:

16 (a) High school;

17 (b) Vocational or technical school; or

18 (c) College or university.

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

25 (a) **High school;**

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

27 (c) **College or university.**

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

31 (a) Financially dependent; and

32 (b) Physically or mentally incompetent.

33 ~~5.~~ 6. All benefits under this section may be paid by the
34 System to the child's:

35 (a) Surviving parent; or

36 (b) Legal guardian.

37 ~~6.~~ 7. The Board shall establish uniform standards and
38 procedures for determining whether a child is:

39 (a) A full-time student;

40 (b) Financially dependent; and

41 (c) Physically or mentally incompetent.

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

43 1A.270 1. Each justice of the Supreme Court or district judge
44 who is elected or appointed as a justice of the Supreme Court or a
45 district judge on or after November 5, 2002, who takes office on or



1 after January 1, 2003, and who previously has not served as either a
2 justice of the Supreme Court or a district judge must receive benefits
3 for retirement, benefits for disability and survivor benefits under the
4 Judicial Retirement Plan, if eligible to receive such benefits under
5 the Judicial Retirement Plan, unless he is a member of the Public
6 Employees' Retirement System . ~~and elects to~~ *If he is a member*
7 *of the Public Employees' Retirement System, he will* remain a
8 member *unless he withdraws from the Public Employees'*
9 *Retirement System* pursuant to NRS 1A.280 , if eligible to do so.

10 2. Each justice of the Supreme Court or district judge who is
11 elected or appointed as a justice of the Supreme Court or district
12 judge on or after November 5, 2002, and who previously has served
13 as either a justice of the Supreme Court or a district judge and each
14 justice of the Supreme Court or district judge who is serving as a
15 justice of the Supreme Court or district judge on November 5, 2002,
16 must receive benefits for retirement, benefits for disability and
17 survivor benefits pursuant to either:

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

21 (b) The Judicial Retirement Plan, if eligible to receive such
22 benefits under the Judicial Retirement Plan,
23 ➤ whichever is most beneficial to the justice or judge or his
24 survivor, as determined by the justice or judge at the time of his
25 retirement or the time at which he becomes disabled, or as
26 determined by his survivor at the time of his death, unless he is a
27 member of the Public Employees' Retirement System . ~~and elects~~
28 ~~to~~ *If he is a member of the Public Employees' Retirement System,*
29 *he will* remain a member *unless he withdraws from the Public*
30 *Employees' Retirement System* pursuant to NRS 1A.280 , if eligible
31 to do so. A survivor may not change a determination that affects the
32 survivor and which was made by a justice or judge pursuant to this
33 section while the justice or judge was alive.

34 3. A determination made pursuant to subsection 2 is final and
35 if a justice or judge or his survivor determines pursuant to
36 subsection 2:

37 (a) To receive benefits pursuant to the Judicial Retirement Plan,
38 the justice, judge or survivor may not receive benefits pursuant to
39 NRS 2.060 to 2.083, inclusive, or pursuant to NRS 3.090 to 3.099,
40 inclusive; or

41 (b) To receive benefits pursuant to NRS 2.060 to 2.083,
42 inclusive, or pursuant to NRS 3.090 to 3.099, inclusive, the justice,
43 judge or survivor may not receive benefits pursuant to the Judicial
44 Retirement Plan.



1 4. No justice of the Supreme Court or district judge or survivor
2 of a justice of the Supreme Court or district judge may receive
3 benefits under both this chapter and:

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

5 (b) NRS 3.090 to 3.099, inclusive.

6 5. A justice of the Supreme Court or district judge or a survivor
7 of a justice of the Supreme Court or district judge who is receiving
8 retirement allowances pursuant to NRS 2.060 to 2.083, inclusive, or
9 pursuant to NRS 3.090 to 3.099, inclusive, on January 1, 2003, is
10 not eligible for transfer to the Judicial Retirement Plan.

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

12 1A.280 1. A person who is elected or appointed as a justice
13 of the Supreme Court or district judge on or after November 5,
14 2002, and takes office on or after January 1, 2003, and who is a
15 member of the Public Employees' Retirement System established
16 pursuant to chapter 286 of NRS on the date that he is elected or
17 appointed may withdraw from the Public Employees' Retirement
18 System and become a member of the Judicial Retirement Plan if he
19 gives written notice to the Board of his intention to withdraw from
20 the Public Employees' Retirement System and to become a member
21 of the Judicial Retirement Plan. Such notice must be given to the
22 Board within the time set forth in subsection 3 and must be given
23 the first time that the justice or judge is elected or appointed while
24 he is a member of the Public Employees' Retirement System.

25 2. A justice or judge may not become a member of the Judicial
26 Retirement Plan pursuant to subsection 1 if he has previously been
27 elected or appointed on or after November 5, 2002, and taken office
28 on or after January 1, 2003, while he was a member of the Public
29 Employees' Retirement System and he did not give notice of his
30 intention to withdraw from the Public Employees' Retirement
31 System and to become a member of the Judicial Retirement Plan in
32 the manner set forth in this section.

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

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

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

39 4. If the Board receives notice pursuant to this section that a
40 justice or judge intends to withdraw from the Public Employees'
41 Retirement System, it shall transfer from the Public Employees'
42 Retirement Fund to the Judicial Retirement Plan the accrued
43 actuarial liability and credit for service earned by the justice or
44 judge while a member of the Public Employees' Retirement System
45 as determined by an actuary of the Judicial Retirement System. The



1 service so transferred must be accredited under the Judicial
2 Retirement Plan as if performed in the Public Employees'
3 Retirement System.

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

8 6. A justice or judge who exercises the option granted by this
9 section may not reestablish the service for which the liabilities were
10 transferred.

11 ~~[6-]~~ 7. No justice of the Supreme Court or district judge or
12 survivor of a justice of the Supreme Court or district judge may
13 receive benefits under both this chapter and chapter 286 of NRS.

14 ~~[7-]~~ 8. A justice of the Supreme Court or district judge or
15 survivor of a justice of the Supreme Court or district judge who is
16 receiving a retirement allowance from the Public Employees'
17 Retirement System on January 1, 2003, is not eligible for transfer to
18 the Judicial Retirement Plan.

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

20 1A.300 1. A plan under which all justices of the Supreme
21 Court and district judges who are elected or appointed for the first
22 time as either a justice of the Supreme Court or district judge on or
23 after November 5, 2002, and who take office on or after January 1,
24 2003, and who ~~[do not elect to remain in]~~ *withdraw from* the Public
25 Employees' Retirement System, if eligible to do so, must receive
26 benefits for retirement, disability and death is hereby established
27 and must be known as the Judicial Retirement Plan.

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

35 3. Benefits are earned pursuant to the Judicial Retirement Plan
36 in the manner set forth in NRS 1A.120 to 1A.150, inclusive,
37 1A.190, 1A.240 and 1A.310 to 1A.670, inclusive.

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

39 1A.520 1. A person may submit a judgment, decree or order
40 of a district court or the Supreme Court of the State of Nevada
41 relating to child support, alimony or the disposition of community
42 property to the Executive Officer of the Board or his designee for a
43 determination of whether the judgment, decree or order entitles an
44 alternate payee to receive from the System all or a portion of the



1 allowance or benefit of a member of the Judicial Retirement Plan or
2 a retired justice or judge.

3 2. The judgment, decree or order submitted to the Executive
4 Officer of the Board or his designee must be signed by a district
5 judge or by the justices of the Supreme Court and entered and
6 certified by the clerk of the district court or the Clerk of the
7 Supreme Court.

8 3. The Executive Officer of the Board or his designee shall, in
9 accordance with rules prescribed by the Board, determine whether
10 the judgment, decree or order entitles the alternate payee to receive
11 an allowance or benefit from the System. An alternate payee is
12 entitled to receive an allowance or benefit from the Judicial
13 Retirement Plan if the judgment, decree or order:

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

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

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

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

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

28 4. For the purposes of this subsection, "alternate payee" means
29 a spouse, former spouse, child or other dependent of a member of
30 the Judicial Retirement Plan or retired justice or judge who,
31 pursuant to a judgment, decree or order relating to child support,
32 alimony or the disposition of community property, is entitled to
33 receive all or a portion of the allowance or benefit of a member or
34 retired justice or judge from the System.

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

36 1A.580 1. Each child of a deceased member of the Judicial
37 Retirement Plan is entitled to receive a cumulative benefit of at least
38 \$400 per month, beginning on the first day of the month following
39 the member's death.

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

43 (a) His adoption;

44 (b) His death;

45 (c) His marriage; or



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

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

- 9 (a) High school;
10 (b) Vocational or technical school; or
11 (c) College or university.

12 4. *If the Board ceases the payment of benefits to a child of a*
13 *deceased member who received benefits pursuant to subsection 3*
14 *because the child ceased being a full-time student, the Board may*
15 *resume the payment of such benefits until the last day of the*
16 *month of the child's 23rd birthday if the child returns to full-time*
17 *status at an accredited:*

- 18 (a) *High school;*
19 (b) *Vocational or technical school; or*
20 (c) *College or university.*

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

- 24 (a) Financially dependent; and
25 (b) Physically or mentally incompetent.

26 ~~5-~~ 6. All benefits under this section may be paid by the
27 System to the child's:

- 28 (a) Surviving parent; or
29 (b) Legal guardian.

30 ~~6-~~ 7. The Board shall establish uniform standards and
31 procedures for determining whether a child is:

- 32 (a) A full-time student;
33 (b) Financially dependent; and
34 (c) Physically or mentally incompetent.

35 **Sec. 8.** 1. The Administrative Office of the Courts, in
36 cooperation with the Public Employees' Retirement System, the
37 Commission to Review Compensation of Constitutional Officers,
38 Legislators, Supreme Court Justices, District Judges and Elected
39 County Officers and any other board or commission that examines
40 the salaries and compensation of justices, judges and judicial
41 officers shall conduct a study of the salaries paid to all justices,
42 judges, and judicial officers and the contributions paid to the
43 Judicial Retirement Fund.

44 2. The study must include, without limitation:



1 (a) An evaluation of the salaries paid to justices, judges and
2 judicial officers.

3 (b) An evaluation of the financial impact on justices, judges and
4 judicial officers if such justices, judges and judicial officers are
5 required to pay contributions to the Judicial Retirement Fund in the
6 same manner as determined by the Public Employees' Retirement
7 Board for contributions paid by regular members to the Public
8 Employees' Retirement System and the Judicial Retirement System.

9 (c) An evaluation of the fiscal impact on the Judicial Branch of
10 this State if the Court Administrator is required to pay contributions
11 to the Judicial Retirement Fund in the same manner as determined
12 by the Public Employees' Retirement Board for contributions paid
13 for regular members by employers to the Public Employees'
14 Retirement System and the Judicial Retirement System.

15 3. On or before November 1, 2006, the Administrative Office
16 of the Courts shall prepare a report that contains the findings of the
17 study and submit the report to the Director of the Legislative
18 Counsel Bureau for transmittal to the 74th Session of the Nevada
19 Legislature.

20 **Sec. 9.** This act becomes effective on July 1, 2005.



