# Amendment No. 410

Senate Amendment to S	Senate Bill No. 308	(BDR 23-1018)						
Proposed by: Senate Committee on Education								
Amends: Summary: No	Title: Yes Preamble: No	Joint Sponsorship: No Digest: Yes						

ASSEMBLY	'AC'	ΓΙΟΝ	Initial and Date		SENATE ACTIO	)N Init	ial and Date
Adopted		Lost			Adopted	Lost	
Concurred In		Not		l	Concurred In	Not _	
Receded		Not		l	Receded	Not	

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of <u>green bold underlining</u> is language proposed to be added in this amendment; (3) <u>red strikethrough</u> is deleted language in the original bill; (4) <u>purple double strikethrough</u> is language proposed to be deleted in this amendment; (5) <u>orange double underlining</u> is deleted language in the original bill proposed to be retained in this amendment.

DP/AAK Date: 4/24/2023

S.B. No. 308—Revises provisions relating to educational personnel. (BDR 23-1018)

### SENATE BILL NO. 308-SENATOR FLORES

## MARCH 20, 2023

#### Referred to Committee on Education

SUMMARY—Revises provisions relating to educational personnel. (BDR 23-1018)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.

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 public employees; [authorizing teachers and instructors employed by a school district under a teacher exchange program to elect to pay the employee's portion of contributions to the Public Employees' Retirement System on their own behalf;] reducing the number of years of service required for eligibility to receive retirement benefits for certain persons, other than police officers or firefighters, who become members of the Public Employees' Retirement System on or after July 1, 2023; prohibiting a school district from contracting or partnering with persons or entities who charge more than a certain amount of fees and costs related to the employment of certain visa holders; and providing other matters properly relating thereto.

### Legislative Counsel's Digest:

Existing law authorizes the board of trustees of a school district or the governing body of a charter school to employ teachers and instructors under teacher exchange programs authorized by federal law. (NRS 391.070) Under existing federal regulations, the participation of the teacher or instructor in the program is prohibited from exceeding 3 years but may be extended for 1 or 2 years under certain circumstances. (22 C.F.R. § 62.24 (j), (k))

Existing law frequires certain public employers to pay their employees' portion of contributions to the Public Employees' Retirement System. (NRS 286.421) Section 1 of this bill creates an exception to this requirement by authorizing a person who, on or after July 1, 2023, is hired as a teacher or instructor under a teacher exchange program to elect to pay the employee's portion on his or her own behalf.

Section 2 of this bill similarly authorizes a teacher or instructor who was employed under a teacher exchange program by such an employer before July 1, 2023, and continues to be employed on or after that date without a break in service, to elect to pay the employee's portion of the contributions on his or her own behalf if such election is made on or before September 30, 2023.] provides that a person who becomes a member of the Public Employees' Retirement System on or after July 1, 2015, other than a police officer or firefighter, is eligible to retire at 65 years of age if he or she has at least 5 years of service, at 62 years of age if he or she has at least 30 years of service, and at any age if he or she has at least 33 1/3 years of service. (NRS 286.510) Section 1.3 of this bill provides that a person who

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becomes a member of the System on or after July 1, 2023, other than a police officer or firefighter, is eligible to retire at 65 years of age if he or she has at least 3 years of service, at 62 years of age if he or she has at least 10 years of service, at 55 years of age if he or she has at least 30 years of service and at any age if he or she has at least 33 1/3 vears of service.

Section 1.6 of this bill prohibits a school district that employs, or intends to employ, a J-1 visa holder through a teacher exchange program from entering into a contract or partnering with a person or entity that is a sponsor of such a program or recruits candidates for such a program if the total amount of the fees and costs charged per person who participates in, or applies to be a candidate for, the program exceeds \$5,000. Section 2.5 of this bill provides that this prohibition does not apply to a contract or partnership existing on July 1, 2023, but does apply to any renewal or extension of such a contract or partnership after that date.

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

# Section 1. [NRS 286.421 is hereby amended to read as follows:

- 1. [A] Except as otherwise provided in subsection 3, a public employer that elected to pay on behalf of its employees the contributions required by subsection 1 of NRS 286.410 before July 1, 1983, shall continue to do so, but a public employer may not elect to pay those contributions on behalf of its employees on or after July 1, 1983.
- 2. An employee of a public employer that did not elect to pay on behalf of its employees the contributions required by subsection 1 of NRS 286.410 before July 1, 1983, may elect to:
- (a) Pay the contribution required by subsection 1 of NRS 286,410 on the employee's own behalf; or
- (b) Have the employee's portion of the contribution paid by the employee's employer pursuant to the provisions of NRS 286.425.
  - 3. Notwithstanding the provisions of any collective bargaining agreement to the contrary, an employee who, on or after July 1, 2023, is hired as a teacher or instructor under a teacher exchange program pursuant to NRS 391.070 by a public employer that is required to pay on behalf of its employees the contributions required by subsection 1 of NRS 286,410, may elect to:

    (a) Pay the contribution required by subsection 1 of NRS 286,410 on the
- employee's own behalf; or
- (b) Have the employee's portion of the contribution paid by the employee's employer pursuant to the provisions of NRS 286.425.
- 4. Notwithstanding the provisions of any collective bargaining agreement to the contrary, if an employee described in subsection 3 elects to pay the contribution required by subsection 1 of NRS 286.410 on the employee's own behalf pursuant to paragraph (a) of subsection 3, the public employer of such an employee must proportionally increase the salary of the employee in an amount that reflects the reduction of the contribution made by the public employer on the
- employee's behalf.

  5. Except for any person chosen by election or appointment to serve in an elective office of a political subdivision or as a district judge, a judge of the Court of Appeals or a justice of the Supreme Court of this State:
- (a) Payment of the employee's portion of the contributions pursuant to subsection 1 must be:

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- (1) Made in lieu of equivalent basic salary increases or cost-of-living increases, or both; or
  - (2) Counterbalanced by equivalent reductions in employees' salaries.
- (b) The average compensation from which the amount of benefits payable pursuant to this chapter is determined must be increased with respect to each month beginning after June 30, 1975, by 50 percent of the contribution made by the public employer, and must not be less than it would have been if contributions had been made by the member and the public employer separately. In the case of any officer or judge described in this subsection, any contribution made by the public employer on the officer's or judge's behalf does not affect the officer's or judge's compensation but is an added special payment.
- [4.] 6. Employee contributions made by a public employer must be deposited in either the Public Employees' Retirement Fund or the Police and Firefighters' Retirement Fund as is appropriate. These contributions must not be credited to the individual account of the member and may not be withdrawn by the member upon the member's termination.
- [5.] 7. The membership of an employee who became a member on or after July 1, 1975, and all contributions on whose behalf were made by the member's public employer must not be cancelled upon the termination of the member's service.
- = [6.] 8. If an employer is paying the basic contribution on behalf of an employee, the total contribution rate, in lieu of the amounts required by subsection 1 of NRS 286.410 and NRS 286.450, must be:
- (a) The total contribution rate for employers that is actuarially determined for police officers and firefighters and for regular members, depending upon the retirement fund in which the member is participating.
- (b) Except as otherwise provided in subsection [7,] 9, adjusted on the first monthly retirement reporting period commencing on or after July 1 of each odd-numbered year based on the actuarially determined contribution rate indicated in the biennial actuarial valuation and report of the immediately preceding year. The adjusted rate must be rounded to the nearest one quarter of 1 percent.
- [7.] 9. The total contribution rate for employers must not be adjusted in accordance with the provisions of paragraph (b) of subsection [6] 8 if:
- (a) The existing rate is lower than the actuarially determined rate but is within one half of 1 percent of the actuarially determined rate.
- (b) The existing rate is higher than the actuarially determined rate but is within 2 percent of the actuarially determined rate. If the existing rate is more than 2 percent higher than the actuarially determined rate, the existing rate must be reduced by the amount by which it exceeds 2 percent above the actuarially determined rate.
- [8.] 10. For the purposes of adjusting salary increases and cost of living increases or of salary reduction, the total contribution must be equally divided between employer and employee.
- [9.] 11. Public employers other than the State of Nevada shall pay the entire employee contribution for those employees who contribute to the Police and Firefighters' Retirement Fund on and after July 1, 1981.] (Deleted by amendment.)
  - Sec. 1.3. NRS 286.510 is hereby amended to read as follows:
- 286.510 1. Except as otherwise provided in subsections 2 and 3, a member of the System:
- (a) Who has an effective date of membership before January 1, 2010, is eligible to retire at age 65 if the member has at least 5 years of service, at age 60 if

the member has at least 10 years of service and at any age if the member has at least 30 years of service.

- (b) Who has an effective date of membership on or after January 1, 2010, and before July 1, 2015, is eligible to retire at age 65 if the member has at least 5 years of service, at age 62 if the member has at least 10 years of service and at any age if the member has at least 30 years of service.
- (c) Who has an effective date of membership on or after July 1, 2015, <u>and before July 1, 2023</u>, is eligible to retire at age 65 if the member has at least 5 years of service, at age 62 if the member has at least 10 years of service, at age 55 if the member has at least 30 years of service and at any age if the member has at least 33 1/3 years of service. For the purposes of this paragraph, any year or part of a year of service purchased by a member pursuant to subsection 2 or 3 of NRS 286.300 or purchased on behalf of the member pursuant to subsection 4 of NRS 286.300 or as authorized by NRS 286.3005 and subsections 1 and 2 of NRS 286.3007 must not be considered in determining the number of years of service of a member unless the member has a family medical emergency. For the purposes of this paragraph, the Board shall define by regulation "family medical emergency" and set forth by regulation the circumstances in which purchased service credit may be considered in determining the number of years of service of a member who has a family medical emergency.
- (d) Who has an effective date of membership on or after July 1, 2023, is eligible to retire at age 65 if the member has at least 3 years of service, at age 62 if the member has at least 10 years of service, at age 55 if the member has at least 30 years of service and at any age if the member has at least 33 1/3 years of service. For the purposes of this paragraph, any year or part of a year of service purchased by a member pursuant to subsection 2 or 3 of NRS 286.300 or purchased on behalf of the member pursuant to subsection 4 of NRS 286.300 or as authorized by NRS 286.3005 and subsections 1 and 2 of NRS 286.3007 must not be considered in determining the number of years of service of a member unless the member has a family medical emergency. For the purposes of this paragraph, the Board shall define by regulation "family medical emergency" and set forth by regulation the circumstances in which purchased service credit may be considered in determining the number of years of service of a member who has a family medical emergency.
  - 2. A police officer or firefighter:
- (a) Who has an effective date of membership before January 1, 2010, is eligible to retire at age 65 if the police officer or firefighter has at least 5 years of service, at age 55 if the police officer or firefighter has at least 10 years of service, at age 50 if the police officer or firefighter has at least 20 years of service and at any age if the police officer or firefighter has at least 25 years of service.
- (b) Who has an effective date of membership on or after January 1, 2010, and before July 1, 2015, is eligible to retire at age 65 if the police officer or firefighter has at least 5 years of service, at age 60 if the police officer or firefighter has at least 10 years of service and at age 50 if the police officer or firefighter has at least 20 years of service.
- (c) Who has an effective date of membership on or after July 1, 2015, is eligible to retire at age 65 if the police officer or firefighter has at least 5 years of service, at age 60 if the police officer or firefighter has at least 10 years of service and at age 50 if the police officer or firefighter has at least 20 years of service. For the purposes of this paragraph, any year or part of a year of service purchased by a police officer or firefighter pursuant to subsection 2 or 3 of NRS 286.300 or subsection 7 of NRS 286.367 or purchased on behalf of the police officer or firefighter as authorized by NRS 286.3005 and subsections 1 and 2 of NRS

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286.3007 must not be considered in determining the number of years of service of a police officer or firefighter unless the police officer or firefighter has a family medical emergency. For the purposes of this paragraph, the Board shall define by regulation "family medical emergency" and set forth by regulation the circumstances in which purchased service credit may be considered in determining the number of years of service of a police officer or firefighter who has a family medical emergency.

→ Only service performed in a position as a police officer or firefighter, established as such by statute or regulation, service performed pursuant to subsection 3 and credit for military service, may be counted toward eligibility for retirement pursuant to this subsection.

3. Except as otherwise provided in subsection 4, a police officer or firefighter who has at least 5 years of service as a police officer or firefighter and is otherwise eligible to apply for disability retirement pursuant to NRS 286.620 because of an injury arising out of and in the course of the police officer's or firefighter's employment remains eligible for retirement pursuant to subsection 2 if:

(a) The police officer or firefighter applies to the Board for disability retirement and the Board approves the police officer's or firefighter's application:

(b) In lieu of a disability retirement allowance, the police officer or firefighter accepts another position with the public employer with which the police officer or firefighter was employed when the police officer or firefighter became disabled as soon as practicable but not later than 90 days after the Board approves the police officer's or firefighter's application for disability retirement;

(c) The police officer or firefighter remains continuously employed by that public employer until the police officer or firefighter becomes eligible for retirement pursuant to subsection 2; and

(d) After the police officer or firefighter accepts a position pursuant to paragraph (b), the police officer's or firefighter's contributions are paid at the rate that is actuarially determined for police officers and firefighters until the police officer or firefighter becomes eligible for retirement pursuant to subsection 2.

4. If a police officer or firefighter who accepted another position with the public employer with which the police officer or firefighter was employed when the police officer or firefighter became disabled pursuant to subsection 3 ceases to work for that public employer before becoming eligible to retire pursuant to subsection 2, the police officer or firefighter may begin to receive a disability retirement allowance without further approval by the Board by notifying the Board on a form prescribed by the Board.

5. Eligibility for retirement, as provided in this section, does not require the member to have been a participant in the System at the beginning of the police officer's or firefighter's credited service.

Any member who has the years of creditable service necessary to retire but has not attained the required age, if any, may retire at any age with a benefit actuarially reduced to the required retirement age. Except as otherwise required as a result of NRS 286.537, a retirement benefit pursuant to this subsection must be

(a) If the member has an effective date of membership before January 1, 2010, by 4 percent of the unmodified benefit for each full year that the member is under the appropriate retirement age, and an additional 0.33 percent for each additional month that the member is under the appropriate retirement age.

(b) If the member has an effective date of membership on or after January 1, 2010, by 6 percent of the unmodified benefit for each full year that the member is under the appropriate retirement age, and an additional 0.5 percent for each additional month that the member is under the appropriate retirement age.

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→ Any option selected pursuant to this subsection must be reduced by an amount proportionate to the reduction provided in this subsection for the unmodified benefit. The Board may adjust the actuarial reduction based upon an experience study of the System and recommendation by the actuary. Sec. 1.6. Chapter 388 of NRS is hereby amended by adding thereto a

new section to read as follows:

- 1. A school district in this State that employs, or intends to employ, a J-1 visa holder pursuant to a teacher exchange program shall not enter into a contract or partner with any person or entity that is a sponsor of such a program or that recruits candidates for such a program if the total amount of fees and costs charged per person who participates in, or applies to be a candidate for, the program exceeds \$5,000.
- 2. As used in this section, "J-1 visa holder" means a person who holds a visa issued pursuant to 8 U.S.C.  $\S 1101(a)(15)(J)$ .
- Sec. 2. [Notwithstanding the provisions of any applicable collective bargaining agreement to the contrary, an employee who was employed before July 1, 2023, as a teacher or instructor under a teacher exchange program pursuant to NRS 391,070 by a public employer that is required to pay on behalf of an employee contributions to the Public Employees' Retirement Fund pursuant to subsection 1 of NRS 286.410 and who is so employed on or after July 1, 2023, without a break in service, may make a one time election to pay such contributions on the employee's own behalf. Such a one time election must be made not later than September 30, 2023.] (Deleted by amendment.)
- Sec. 2.5. The provisions of section 1.6 of this act do not apply to a contract or partnership existing on July 1, 2023, but do apply to any renewal or extension of such a contract.
  - **Sec. 3.** This act becomes effective on July 1, 2023.