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SENATE BILL NO. 308—SENATOR FLORES

MARCH 20, 2023

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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.

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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; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

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

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

13 **Section 2** of this bill similarly authorizes a teacher or instructor who was  
14 employed under a teacher exchange program by such an employer before July 1,  
15 2023, and continues to be employed on or after that date without a break in service,  
16 to elect to pay the employee’s portion of the contributions on his or her own behalf  
17 if such election is made on or before September 30, 2023.

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

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

2       286.421 1. ~~1A~~ *Except as otherwise provided in subsection*  
3 *3, a* public employer that elected to pay on behalf of its employees  
4 the contributions required by subsection 1 of NRS 286.410 before  
5 July 1, 1983, shall continue to do so, but a public employer may not  
6 elect to pay those contributions on behalf of its employees on or  
7 after July 1, 1983.

8       2. An employee of a public employer that did not elect to pay  
9 on behalf of its employees the contributions required by subsection  
10 1 of NRS 286.410 before July 1, 1983, may elect to:

11       (a) Pay the contribution required by subsection 1 of NRS  
12 286.410 on the employee's own behalf; or

13       (b) Have the employee's portion of the contribution paid by the  
14 employee's employer pursuant to the provisions of NRS 286.425.

15       3. *Notwithstanding the provisions of any collective*  
16 *bargaining agreement to the contrary, an employee who, on or*  
17 *after July 1, 2023, is hired as a teacher or instructor under a*  
18 *teacher exchange program pursuant to NRS 391.070 by a public*  
19 *employer that is required to pay on behalf of its employees the*  
20 *contributions required by subsection 1 of NRS 286.410, may elect*  
21 *to:*

22       (a) *Pay the contribution required by subsection 1 of NRS*  
23 *286.410 on the employee's own behalf; or*

24       (b) *Have the employee's portion of the contribution paid by the*  
25 *employee's employer pursuant to the provisions of NRS 286.425.*

26       4. *Notwithstanding the provisions of any collective*  
27 *bargaining agreement to the contrary, if an employee described in*  
28 *subsection 3 elects to pay the contribution required by subsection 1*  
29 *of NRS 286.410 on the employee's own behalf pursuant to*  
30 *paragraph (a) of subsection 3, the public employer of such an*  
31 *employee must proportionally increase the salary of the employee*  
32 *in an amount that reflects the reduction of the contribution made*  
33 *by the public employer on the employee's behalf.*

34       5. Except for any person chosen by election or appointment to  
35 serve in an elective office of a political subdivision or as a district  
36 judge, a judge of the Court of Appeals or a justice of the Supreme  
37 Court of this State:

38       (a) Payment of the employee's portion of the contributions  
39 pursuant to subsection 1 must be:

40       (1) Made in lieu of equivalent basic salary increases or cost-  
41 of-living increases, or both; or



1 (2) Counterbalanced by equivalent reductions in employees'  
2 salaries.

3 (b) The average compensation from which the amount of  
4 benefits payable pursuant to this chapter is determined must be  
5 increased with respect to each month beginning after June 30, 1975,  
6 by 50 percent of the contribution made by the public employer, and  
7 must not be less than it would have been if contributions had been  
8 made by the member and the public employer separately. In the case  
9 of any officer or judge described in this subsection, any contribution  
10 made by the public employer on the officer's or judge's behalf does  
11 not affect the officer's or judge's compensation but is an added  
12 special payment.

13 ~~[4.]~~ 6. Employee contributions made by a public employer  
14 must be deposited in either the Public Employees' Retirement Fund  
15 or the Police and Firefighters' Retirement Fund as is appropriate.  
16 These contributions must not be credited to the individual account  
17 of the member and may not be withdrawn by the member upon the  
18 member's termination.

19 ~~[5.]~~ 7. The membership of an employee who became a  
20 member on or after July 1, 1975, and all contributions on whose  
21 behalf were made by the member's public employer must not be  
22 cancelled upon the termination of the member's service.

23 ~~[6.]~~ 8. If an employer is paying the basic contribution on  
24 behalf of an employee, the total contribution rate, in lieu of the  
25 amounts required by subsection 1 of NRS 286.410 and NRS  
26 286.450, must be:

27 (a) The total contribution rate for employers that is actuarially  
28 determined for police officers and firefighters and for regular  
29 members, depending upon the retirement fund in which the member  
30 is participating.

31 (b) Except as otherwise provided in subsection ~~[7.]~~ 9, adjusted  
32 on the first monthly retirement reporting period commencing on or  
33 after July 1 of each odd-numbered year based on the actuarially  
34 determined contribution rate indicated in the biennial actuarial  
35 valuation and report of the immediately preceding year. The  
36 adjusted rate must be rounded to the nearest one-quarter of 1  
37 percent.

38 ~~[7.]~~ 9. The total contribution rate for employers must not be  
39 adjusted in accordance with the provisions of paragraph (b) of  
40 subsection ~~[6.]~~ 8 if:

41 (a) The existing rate is lower than the actuarially determined rate  
42 but is within one-half of 1 percent of the actuarially determined rate.

43 (b) The existing rate is higher than the actuarially determined  
44 rate but is within 2 percent of the actuarially determined rate. If the  
45 existing rate is more than 2 percent higher than the actuarially



1 determined rate, the existing rate must be reduced by the amount by  
2 which it exceeds 2 percent above the actuarially determined rate.

3 ~~8.1~~ 10. For the purposes of adjusting salary increases and  
4 cost-of-living increases or of salary reduction, the total contribution  
5 must be equally divided between employer and employee.

6 ~~9.1~~ 11. Public employers other than the State of Nevada shall  
7 pay the entire employee contribution for those employees who  
8 contribute to the Police and Firefighters' Retirement Fund on and  
9 after July 1, 1981.

10 **Sec. 2.** Notwithstanding the provisions of any applicable  
11 collective bargaining agreement to the contrary, an employee who  
12 was employed before July 1, 2023, as a teacher or instructor under a  
13 teacher exchange program pursuant to NRS 391.070 by a public  
14 employer that is required to pay on behalf of an employee  
15 contributions to the Public Employees' Retirement Fund pursuant to  
16 subsection 1 of NRS 286.410 and who is so employed on or after  
17 July 1, 2023, without a break in service, may make a one-time  
18 election to pay such contributions on the employee's own behalf.  
19 Such a one-time election must be made not later than September 30,  
20 2023.

21 **Sec. 3.** This act becomes effective on July 1, 2023.

