

2021 Legislative Session-3rd Weekly Update February 20, 2021

Hello to all our AFSCME 4041 Retiree members! The Nevada State Legislature's 81st Regular Session continues with this week's focus for Nevada's 4041 retirees on NV PERS (Public Employees Retirement System) as NV PERS had its first Budget hearing yesterday February 19, 2021 before the Assembly Ways and Means Committee. The NV PERS Board also met the day before (February 18, 2021) for its regular monthly Board meeting. Both these meetings were held virtually and we attended both.

In the NV PERS Board meeting on Thursday February 18, the staff recommended (and the Board voted to approve), a position of "Neutral" on the only PERS bill filed so far in this session, Senate Bill 3 **SB3**. This bill deals only with the Judicial Retirement System (JRS) and adjusts the judges' salaries which in turn affects their retirement accounts with the state. This should have no effect on our AFSCME 4041 Retiree members and so we support that position. On Friday, February 19, the NV PERS staff presented their administrative agency budget (keep in mind this is entirely separate and apart from a review of the Trust Fund's health-which was covered at the Thursday's Board meeting) to the legislature. Here is a link to their supporting written (7 pages) presentation:

https://www.leg.state.nv.us/App/NELIS/REL/81st2021/ExhibitDocument/OpenExhibitDocument?exhibitId=47388&fileDownloadName=0219_BA4812_Leiss.T_PERS.pdf

If you wish to go to the Committee's hearing and listen to the recorded meeting-the NV PERS presentation starts at approximately 9:10 (a little more than halfway through the recording) here: <http://sg001-harmony.sliq.net/00324/Harmony/en/PowerBrowser/PowerBrowserV2/20210219/-1/?fk=7024&viewmode=1>

The shorter version is that the fund is doing surprisingly well assessed at approximately 54 billion in value, given all the financial volatility in the country, and is on track to retire the "inheritance" of the 2008-financial disaster created unfunded liability in the current plan which was set up to ease that decrease in the unfunded portion over a 20 year schedule.

Another thing to note-NV PERS staff reminded the legislative Committee that the "average" monthly payout for non-police/fire fund employees is \$2979.00 and that **neither** those paying into NV PERS currently as active employees, or those receiving benefits as retirees, are enrolled in Social Security. *If a NV PERS member had another job at some point in their life where that employer (unlike Nevada's state and local governments) contributed to Social Security, a couple of **Federal** provisions (Government Pension Offset "GPO") and Windfall Elimination Provision "WEP") may reduce that NV PERS' member's Social Security benefit if they have one. This continues to be a fight your federal AFSCME lobbying representatives handle for us in Congress. <https://www.afscme.org/about/governance/conventions/resolutions-amendments/2016/resolutions/elimination-of-the-unfair-gpo-and-the-wep-provisions-of-the-social-security-act>

It seems we have to remind the legislature every session about this! Seriously though, part of the job at every legislative session is to educate the legislators who are busy (and may be newly

elected and/or unfamiliar with how systems like PEBP and NV PERS work) and rely on us to provide accurate and helpful information about our issues.

Feel free to send us your thoughts and any questions to either Priscilla Maloney directly maloneypriscilla@gmail.com or to the office: Afscmeretirees4041@gmail.com