
ASSEMBLY BILL NO. 563—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DIVISION OF BUDGET AND PLANNING)

MARCH 28, 2011

Referred to Committee on Ways and Means

SUMMARY—Establishes for the next biennium the amount to be paid to the Public Employees’ Benefits Program for insurance for certain active and retired public officers and employees. (BDR S-1223)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Executive Budget.

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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 programs for public personnel; establishing for the next biennium the amount to be paid to the Public Employees’ Benefits Program for insurance for certain active and retired public officers and employees; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 **Section 1** of this bill establishes the amount of the State’s share of the costs of
2 premiums or contributions for group insurance for active state officers and
3 employees who participate in the Public Employees’ Benefits Program. **Section 2**
4 of this bill establishes the base amount that is used to calculate the share of the
5 costs of premiums or contributions for group insurance under the Program that is
6 required to be paid by the State and local governments for retired public officers
7 and employees. **Section 2** of this bill also establishes the base amount that is used
8 to calculate the share of the cost of qualified medical expenses for individual
9 Medicare insurance plans through the Program that is required to be paid by the
10 State and local governments for retired public officers and employees.

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

1 **Section 1.** 1. For the purposes of NRS 287.044 and
2 287.0445, the State’s share of the cost of premiums or contributions



1 for group insurance for each active state officer or employee who
2 elects to participate in the Public Employees' Benefits Program is:

3 (a) For the Fiscal Year 2011-2012, \$644.81 per month.

4 (b) For the Fiscal Year 2012-2013, \$733.64 per month.

5 2. If the amount of the State's share pursuant to this section
6 exceeds the actual premium or contribution for the plan of the
7 Public Employees' Benefits Program that the state officer or
8 employee selects less any amount paid by the state officer or
9 employee toward the premium or contribution, the balance must be
10 credited to the Fund for the Public Employees' Benefits Program
11 created by NRS 287.0435, which may be used to pay a portion of
12 the premiums or contributions for persons that are eligible to
13 participate in the Public Employees' Benefits Program through such
14 a state officer or employee.

15 **Sec. 2.** 1. Except as otherwise provided in subsection 2, for
16 the purposes of NRS 287.023 and 287.046, the base amount for the
17 share of the cost of premiums or contributions for group insurance
18 for each person who has retired with state service and continues to
19 participate in the Public Employees' Benefits Program is:

20 (a) For the Fiscal Year 2011-2012, \$418.41 per month.

21 (b) For the Fiscal Year 2012-2013, \$472.64 per month.

22 2. For the purposes of NRS 287.023 and 287.046, the base
23 amount for the share of the cost of qualified medical expenses for
24 each person who has retired with state service and whose coverage
25 is provided through the Public Employees' Benefits Program by an
26 individual medical plan offered pursuant to the Health Insurance for
27 the Aged Act, 42 U.S.C. §§ 1395 et seq., for Fiscal Year 2011-2012
28 and Fiscal Year 2012-2013 is:

29 (a) For those persons who retired before January 1, 1994, \$150
30 per month.

31 (b) For those persons who retired on or after January 1, 1994,
32 \$10 per month per year of service, excluding service purchased
33 pursuant to NRS 1A.310 or 286.300, up to a maximum of \$200 per
34 month.

35 3. No money may be paid by the State Retirees' Health and
36 Welfare Benefits Fund created by NRS 287.0436 on behalf of a
37 person who is initially hired by the State on or after January 1, 2010,
38 and who:

39 (a) Has not participated in the Program on a continuous basis
40 since his or her retirement from such employment; or

41 (b) Does not have at least 15 years of service credit upon
42 retirement, unless the person does not have at least 15 years of
43 service credit as a result of a disability for which disability benefits
44 are received under the Public Employees' Retirement System or a
45 retirement program for professional employees offered by or



1 through the Nevada System of Higher Education, and has
2 participated in the Program on a continuous basis since his or her
3 retirement from such employment.

4 4. If the amount calculated pursuant to this section exceeds the
5 actual premium or contribution for the plan of the Program that the
6 retired participant selects, the balance must be credited to the Fund
7 for the Public Employees' Benefits Program created by
8 NRS 287.0435.

9 **Sec. 3.** This act becomes effective on July 1, 2011.

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