

Assembly Bill No. 180—Assemblymen Armstrong, Edwards, Kirner, Hambrick, O’Neill; Elliot Anderson, Paul Anderson, Bustamante Adams, Diaz, Dickman, Dooling, Ellison, Fiore, Flores, Gardner, Hickey, Jones, Kirkpatrick, Moore, Munford, Nelson, Ohrenschall, Oscarson, Seaman, Silberkraus, Stewart, Titus, Trowbridge, Wheeler and Woodbury

Joint Sponsor: Senator Harris

CHAPTER.....

AN ACT relating to the Public Employees’ Retirement System; revising provisions governing the biennial audit of the System; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Current law provides that the Public Employees’ Retirement Board must retain an independent certified public accountant to perform an audit of the Public Employees’ Retirement System every 2 years. (NRS 286.190) This bill requires the Board to select the person who will perform the audit using an open bid or request for proposal process conducted not less than once every 4 years. This bill also restricts the Board from selecting the same person to perform the audit in two consecutive cycles of selection.

EXPLANATION – Matter in *bolded italics* is new; matter between brackets **[omitted material]** is material to be omitted.

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

Section 1. NRS 286.190 is hereby amended to read as follows:
286.190 The Board:

1. Has the powers and privileges of a body corporate and, subject to the limitations of this chapter, is responsible for managing the System.

2. Shall:

(a) Arrange for a biennial actuarial valuation and report of the actuarial soundness of the System to be prepared by an independent actuary based upon data compiled and supplied by employees of the System, and shall adopt actuarial tables and formulas prepared and recommended by the actuary.

(b) Provide for a biennial audit of the System, including the Administrative Fund, by an independent certified public accountant.

The independent certified public accountant performing the audit of the System must be selected by a process for open bidding or requests for proposals that is conducted not less than once every 4



years. The Board shall not consider any bid or proposal submitted by a person who was selected to provide the audit of the System in the immediately preceding cycle of selection.

(c) Provide an annual report to the Governor, each member of the Legislature, each participating public employer, and each participating employee and employer association, and make the report available to all members upon request. The report must contain, when available, a review of the actuarial valuation required by paragraph (a).

(d) Post on its website any document that a public employer is required to submit to the System on or after January 1, 2010, relating to the contribution mechanism used by the public employer pursuant to NRS 286.410, 286.421 or 286.450.

3. May:

(a) Adjust the service or correct the records, allowance or benefits of any member, retired employee or beneficiary after an error or inequity has been determined, and require repayment of any money determined to have been paid by the System in error, if the money was paid within 6 years before demand for its repayment.

(b) Examine and copy personnel and financial records of public employers.

(c) Receive requests for membership from state, county or municipal entities which are not presently public employers, and determine whether or not any such entity and its employees qualify for membership as provided by this chapter.

(d) Require an annual notarized statement from a retired employee or beneficiary that the retired employee or beneficiary is in fact receiving an allowance or benefits, and withhold the allowance or benefits if the retired employee or beneficiary fails to provide the statement.

4. As used in this section, "error or inequity" means the existence of extenuating circumstances, including, but not limited to, a member's reasonable and detrimental reliance on representations made by the System or by the public employer pursuant to NRS 286.288 which prove to be erroneous, or the mental incapacity of the member.

Sec. 2. This act becomes effective on July 1, 2015.

